

SUPPLEMENTAL INFORMATION SUMMARY

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GLOSSARY OF TERMS AND ACRONYMS

Account – An individual item of expenditure or revenue used in line item budgeting, e.g., books, out-of-state travel, overtime, court fees, interest.

Accounting Method (Accrual Basis & Modified Accrual Basis) - Under the accrual method, revenues are recognized when they are earned, and expenses are recognized when they are incurred. The budgets of the proprietary funds are presented using the accrual basis. Under a modified accrual method, revenues are recognized when they are measurable and available to finance expenditures. Expenditures, on the other hand, are generally recognized when incurred. (Exceptions to this policy are principal and interest expenditures on general long term debt which are budgeted either when due, or in period 12 (June), if the due date falls early in the subsequent fiscal year.) The budgets of the governmental funds are presented on a modified accrual basis.

Activity - An effort of a department that contributes to the achievement of a program objective. The smallest operational element of a strategic budget, organized as follows:

- Program
- Service
- Activity

Actual Full Cost Allocation Plan (AFCAP) - The plan that identifies the costs of support services provided by the central service departments of Pima County to its operating departments and special revenue, internal service, and enterprise fund departments. The AFCAP for a given fiscal year is based on the actual expenditures of the prior fiscal year. The plan is prepared annually by the Financial Control & Reporting Division of the Department of Finance and Risk Management.

ADA - Americans with Disabilities Act - An enactment to protect the employment and accessibility rights of disabled individuals.

Adopted Budget - Per ARS §42-17105, the Board of Supervisors shall “...finally determine and adopt estimates of proposed expenditures” and such “adopted estimates shall constitute the budget of the County for the current fiscal year.” Per statute, this must be done on or before the fourteenth day before the day on which the Board levies taxes (which, in turn, must be done on or before the third Monday in August each year).

AHCCCS - Arizona Health Care Cost Containment System - The Arizona Medicaid alternative program that provides prepaid (capitation rate) health care for eligible citizens through health maintenance organizations or fee for service programs.

ALTCS - Arizona Long Term Care System - The Arizona Medicaid alternative program for long term care added to the AHCCCS program effective January 1, 1989.

Annualized Cost - Operating cost incurred at annual rates for a portion of the prior fiscal year and which must be incurred at similar rates for the entire twelve months of the succeeding fiscal year.

Antiracketeering Fund - A group of special revenue funds administered pursuant to ARS §13-2314.03. The County Attorney and the Sheriff administer their own Antiracketeering Fund. The County Attorney’s fund includes funds held for other local law enforcement agencies. Racketeering is defined as any illegal act committed for financial gain.

Appropriation - A legal authorization granted by the County Board of Supervisors to make expenditures/expenses and to incur obligations for specific purposes during a fiscal year.

ARS - Arizona Revised Statutes - The revision and codification of the laws of the state of Arizona of a general or public nature and enacted into law as the Arizona Revised Statutes, Laws 1955, Third Special Session, Chapter 3.

Assessed Valuation - An annual determination of the just or fair value of real estate or other property by the County Assessor as a basis for levying taxes.

Assessment Ratio - The percentage factors that are associated with the various legal classes of a property. The ratios are set by the State Legislature. A history of the values is shown in the table "Assessment Ratios by Class For Tax Years 2002 - 2006" in this section.

Base Budget - The Financial Planning System contains packages A through Z. Package A refers to a department's Base Budget, or for non-General Fund departments, the level of operating expenditures/expenses which can be supported by a department's current sources of revenue. The base budget is the prior year's budget adjusted for known financial changes, such as the annualization of approved prior year supplemental packages and prior year salary and benefit adjustments.

Board of Deposit - The Board of Supervisors, sitting as the Board of Deposit, designates the servicing bank for the deposits of state and County monies. ARS §35-325 specifies the requirements and procedures which govern the conduct of this board.

Bond - A written promise to pay a specified sum of money (called the face value or principal amount) at a specified date in the future (called the maturity date), together with periodic interest at a specific rate.

Bond Implementation Ordinances - Ordinances Nos. 1997-35, 1997-80, and 2004-18 that schedule the sale of bonds authorized by Pima County voters in the May and November 1997 bond elections and the May 2004 bond election. These ordinances also establish basic parameters as to how the County will program capital improvements funded with bond revenues. Compliance with these restrictions is governed by Truth in Bonding ordinances, which provide specific guidance on bonding disclosure, accountability, and implementation.

Bond Principal - The face value of a written promise to pay a specified sum of money at a specified date(s) in the future, called the maturity date(s).

Budget - A financial plan consisting of an estimate of proposed expenditures/expenses and their purposes for a given period and the proposed means of financing them.

Budget Amendment Process - Procedure a department must follow in order to request modification of its adopted budget. Budget amendments must be approved by the Board of Supervisors.

Budget Stabilization Fund - Prior to fiscal year 1999/2000, the only method of managing budget exceedences was to reserve funding for this purpose in the Board of Supervisors' Contingency fund. In fiscal year 1999/2000, this process was further developed and institutionalized through the establishment of the Budget Stabilization fund within the Contingency "department." Items which are funded in Budget Stabilization include approved department supplemental packages, where the required timing or need is not well enough defined.

Budget System - Financial Planning System (FPS). See Financial Planning System.

CAA - Community Action Agency - Refers to grants administered by the Community Services, Employment & Training Department to assist community agencies in providing services to families and individuals living at or below poverty level.

Capital Project - Construction, remodeling, infrastructure, or other projects costing \$100,000 or more that are part of the Capital Improvement Program (CIP).

Capital Project Expenditures – Expenditures for construction, remodeling, infrastructure, or other projects costing \$100,000 or more that are part of the CIP.

Capital Projects Fund - A 4000 series fund used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

Carryover Appropriations - Amounts budgeted in the current fiscal year for an expenditure that was originally budgeted in the previous fiscal year and for which an obligation has been incurred that cannot be met by the end of the previous fiscal year. Carryover appropriations for General Fund departments are reserved in *allocated contingency* within the Contingency “department.” All carryovers must be approved by the County Administrator.

CDBG - Community Development Block Grant - Housing and Urban Development block grant funds to be used for increasing available housing stock and to assist in the physical improvement of low and moderate income communities.

Charges for Services - Fees charged for performance of a service.

Chart of Accounts - A listing of the asset, liability, equity, expenditure, and revenue accounts that are used in the accounting, operations, and budgeting processes.

CIP - Capital Improvement Program - A program outlining all the construction projects costing \$100,000 or more to be undertaken by Pima County during the current budget year and the following four fiscal years.

CJEF - Criminal Justice Enhancement Fund - A 47 percent surcharge on all traffic fines collected. The state treasurer administers the funds and allocates them among different agencies such as law enforcement, courts, and health services.

Classification - A title and code assigned to a grouping of similar positions as described in the appropriate class specification (the official document defining the type and level of duties and responsibilities and the minimum qualifications of positions assigned to a particular classification).

COLA - Cost of Living Adjustment - An adjustment of the compensation rates of regular County employees who are not elected officials. The frequency of such adjustments is determined by the Board of Supervisors, as is the manner in which the COLA is applied.

Community & Economic Development - The organizational entity comprised of the departments of Community & Economic Development Administration; Community Development & Neighborhood Conservation; Community Resources; Community Services, Employment & Training; County Free Library; Economic Development & Tourism; School Superintendent; and the Stadium District. (Prior to July 1, 2004, this functional area was named Community Resources.)

Contingency Funds - Funds reserved by the Board of Supervisors for services or programs which the Board may release for departments to use during the course of the fiscal year. The current reserve categories are Allocated Contingency (carryovers), General Contingency (unreserved), Budget Stabilization, Tax Reduction/Debt Retirement, and Property Tax Rate Stabilization.

Cost Allocation Plan - The documents identifying, accumulating, and allocating or developing billing rates based on the allowable cost of services provided by a governmental unit to its departments. Pima County uses an Internal Cost Allocation Plan to recover indirect costs from Enterprise Funds, Internal Service Funds, and some Special Revenue Funds. The County recovers indirect costs based on a combination of actual costs and usage information from prior fiscal years. Pima County uses a second Cost Allocation Plan to recover indirect costs from federal grant programs. This plan is prepared following federal guidelines specified in Circular A-87.

Cost Center - The lowest financial organization unit. Each center is identified by a unique seven-digit identifier. The first three digits (numeric digits or a combination of alpha characters and numeric digits) identify the department to which the center is assigned. Financial transactions are recorded by fund/center/account.

County Administration - The organizational entity comprised of the departments of Assessor, Board of Supervisors, Clerk of the Board, County Administrator, Elections, Finance and Risk Management, Forensic Science Center, Human Resources, Information Technology (includes Communications, an internal service fund department), Non Departmental (Contingency, Debt Service, General Fund Debt Service, General Government Revenues, and Non Departmental), Procurement, Recorder, and Treasurer.

Debt Service Fund - Fund 3000 is used to account for the accumulation of resources for, and the payment of, general long term debt principal and interest.

Debt Service Requirement - The amount of money required to pay both the interest and principal on outstanding debt over a period of time.

Department - A grouping of cost centers that share a common purpose and funding source. In the accounting and budget systems, cost centers are represented/denoted by a seven-digit alphanumeric code. Cost centers that are a component of a department have in common the first three digits of the numeric or alphanumeric identifier. For example, the aggregation of all cost centers beginning with the digits "160" is the County Attorney Department and the aggregation of all cost centers beginning with the digits "W00" is Wastewater Management. (Also see Super Department definition.)

Direct Cost - A cost that can be identified with a specific cost objective and not a common, joint, or collective purpose.

Discretionary Programs - Programs that are not mandated by law or any other authority.

Enterprise Fund - A 5000 series fund used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Exemption from Property Taxes - The Arizona Constitution exempts property held by federal, state, or local governments and educational, charitable, and religious nonprofit organizations from property tax. The few remaining veterans of certain foreign wars, widows/widowers, and disabled persons are eligible for partial exemptions determined by income and value of their property. All household goods used in a residence and owned by the user are also exempt from a personal property tax.

Expenditure - Refers to the outflow of funds paid for assets, goods, or services obtained which are used for funds other than the Enterprise Fund and Internal Service Fund departments (the proprietary funds). A capital expenditure is an expenditure from a departmental operating budget for the acquisition of, or addition to, a fixed asset that costs more than \$1,000 and has a useful life of at least one year.

Expenditure Limitation - On June 3, 1980, Arizona voters approved Arizona Constitution, Article IX, §20 and §21, prescribing an expenditure limitation for each county, city, town, and community college district. The purpose of the expenditure limitation is to control expenditures and limit future changes in spending to adjustments for inflation, deflation, and population growth.

Expense - Charges incurred (whether paid immediately or unpaid) for Proprietary Funds.

Fill The Gap - A funding mechanism enacted by the state in 1999 to provide counties with resources to improve criminal case processing. A state appropriation in addition to a seven percent surcharge on court fines and forfeitures, as well as a five percent contribution of court collections by each county to its own Local Courts Assistance Fund, provides funding for this program.

Fire District Assistance Tax - Established by ARS §48-807, which requires, in part, that the Board of Supervisors shall “levy a County Fire District Assistance Tax on the taxable property in the County...” The funds raised by this secondary property tax supplement the operating budgets of the fire districts.

FMAP – The acronym for the Federal Medical Assistance Percentage, which is the share of each state’s Medicaid program paid by the federal government. The share runs from a minimum of 50% to a maximum of 83%, and is determined by the per capita income of each state.

FMS - Financial Management System - Computerized central data system that performs the County's accounting and financial reporting functions.

Forecast – A projection of future revenues and/or expenses based on historical and current economic, financial, and demographic information.

FPS - Financial Planning System - Computerized PC-based budgetary planning system used by Pima County. The Financial Planning System is also known as the Budget System.

FTE - Full Time Equivalent - Decimal conversion of the number of hours authorized for a position into a full time position. One FTE is defined as 2,080 funded hours (26 pay periods/fiscal year X 80 hours per pay period = 2,080 hours/fiscal year).

Full Cash Value - The appraised value of a property approximating the “market value” of the property. The Full Cash Value is used to determine the Secondary Net Assessed Value which is then used to levy Secondary Property Taxes.

Functional Area - Grouping of departments with similar programs and services. Groupings used by Pima County are: Community & Economic Development, County Administration, Justice & Law Enforcement, Medical Services, and Public Works.

Fund - A system of accounts that segregates all financial transactions for restricted or designated uses by a government entity. The fund categories used by Pima County are the General Fund, Special Revenue Funds, Capital Projects Fund, Debt Service Fund, Enterprise Funds, and Internal Service Funds. (Also see individual fund definitions.)

Fund Balance - The difference between the assets and liabilities of governmental funds. Governmental funds include the General Fund, Special Revenue Funds, Capital Projects Fund, and Debt Service Fund.

FY - Fiscal Year - A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. For Pima County, the fiscal year is from July 1 through June 30.

General Fund - Fund 1000 is used to account for all financial resources except those accounted for in another fund. The General Fund is the County's principal financing vehicle for general government services and is funded largely by primary property tax revenue and state shared sales tax revenue.

General Obligation Bonds - Bonds backed by the full faith and credit of Pima County used to finance a variety of public projects. These bonds require voter approval. General Obligation Bonds are limited tax bonds that are secured by the County's secondary property tax.

Governmental Funds - Funds that are used to account for the County's expendable financial resources and related current liabilities, except those accounted for in proprietary funds. Governmental funds include the General Fund, Special Revenue Funds, Capital Projects Fund, and Debt Service Fund.

Grants - Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose, activity, or facility.

HELP - Highway Extension/Expansion Loan Program - A financing mechanism established by the state of Arizona under the provisions of the National Highway System Designation Act of 1995. Pima County uses this program to seek funding to expedite projects that would otherwise be delayed until federal grant money becomes available or the County has the capability to pay-as-you go.

HHW - Household Hazardous Waste Program - A program to educate the public about the concerns and problems of household chemical disposal and to provide collection sites to divert household chemicals from the sewerage system and landfills.

HIDTA - High Intensity Drug Trafficking Area - Investigation and enforcement efforts involving complex drug related activities in high drug trafficking areas. The HIDTA program is supported by grant funding.

Home and Community Based Services (HCBS) - A variety of programs, such as foster care, home delivered meals, congregate meals and day care provided to clients in their homes or in a community setting as an alternative to institutional care.

Hotel/Motel Bed Tax - See Transient Lodging Excise Tax.

HURF - Highway User Revenue Fund - Funds allocated by the state to fund the construction and maintenance of the County's highway and street system. This is the primary funding source for the Transportation Department and provides funds for the construction and maintenance of the County's roads and connecting infrastructures.

HURF Equity Legislation - Legislation passed by the 1997 State Legislature that resulted in a change in the formula to distribute Highway User Revenue Funds. The formula now includes the population of unincorporated areas in the calculation of distribution amounts. During FY 1996/97, the change increased the distribution to Pima County by \$3.3 million, and the increase over a twenty-year period was estimated to be \$370.3 million.

Incumbent - The current individual assigned to a particular Position Control Number (PCN).

Indirect Cost - A cost that is incurred for a common or joint purpose benefitting more than one cost objective that is not readily assignable to the individual cost objectives specifically benefitted.

Information Technology - Computer based systems which are used to acquire, store, and process information in various forms. This includes any hardware, whether primary equipment such as central processing units, personal computers, or ancillary equipment such as printers, scanners, video monitors, keyboards, etc. Information technology also includes the software and program applications which allow the equipment and systems to operate. (The department that manages the County's mainframe computer, network servers, wide area network, wireless radio services, and telecommunications is named Information Technology.)

Intermittent Employee - A person who has been hired for seasonal, on-call, or as-needed employment that does not exceed 1,040 paid hours per fiscal year.

Internal Service Fund - A 6000 series fund used to account for the financing of goods or services provided by one County department to other County departments on a cost reimbursement basis.

Justice & Law Enforcement (JALE) - An organizational entity comprised of the departments of Clerk of the Superior Court, Constables, County Attorney, Indigent Defense, Justice Court Ajo, Justice Court Green Valley, Justice Courts Tucson, Juvenile Court, Office of Court Appointed Counsel, Public Fiduciary, Sheriff, Superior Court, and Superior Court Mandated Services.

Lease Purchase Agreement - An agreement providing that portions of a lease payment may be applied toward the purchase of the property under lease.

Legal Class – A property classification defined by the State Legislature and used to establish various Assessment Ratios to be applied to the Full Cash Value and the Limited Value of a property to determine both the Primary Net Assessed Value and Secondary Net Assessed Value of taxable property. Legal Class is determined by the use of the property.

Levy - Imposition of taxes and/or special assessments for the support of government activities.

Levy Limitation - The annual growth rate of the Primary Levy is limited to two percent plus the percentage growth of the physical tax base. The levy limit applies to counties, cities and towns, and community college districts.

Limited Property Value - The basis for establishing the primary tax on a property. If there has not been a change of use or substantial modification to the property, it is the greater of (1) the previous year's Limited Property Value increased by 10% or (2) 25% of the difference between the current year's Full Cash Value and the previous year's Limited Property Value. If there has been a change in use or a substantial change made to the property, the Limited Property Value is determined by using the average percentage that the Limited Value comprises of the Secondary Property Value of like properties in the area. The Limited Property Value can never be greater than the Secondary Property Value.

Line Item Budget - A budget that allocates funds to specific cost centers, accounts, or objects, e.g., salaries and office supplies.

Local Government Investment Pool - A pooled investment fund that is maintained by the state treasurer for the collective investment of state monies. The state treasurer deposits state monies in the pooled investment fund and such monies as any county, city, or town may supply. When a depositor provides monies to the pooled investment fund, it specifies the date or dates on which it will require the monies. The pooled investment fund shall be invested by the state treasurer for such periods as will facilitate the return of the monies to the originating bodies in accordance with the instructions received at the time of deposit. Earned interest increments are to be credited promptly after calculation.

Mandated Programs - Programs that are imposed by law or another authority.

Medical Services - An organizational entity comprised of the departments of Institutional Health, Public Health, and Pima Health System & Services.

NAV - Net Assessed Value - The assessed value less the exceptions and exemptions allowed by the state constitution and statutes.

Net Assets Impact (NAI) - A term applicable to proprietary funds to describe a change in retained earnings. Prior to a GASB rule change, the term Net Retained Earnings Impact (NREI) was used. The concept is similar to the philosophy of NFI, as applied to other funds.

Net Fund Impact (NFI) - Total revenues for the fiscal year plus net operating transfers minus total expenditures. This calculation quantifies the difference between the fund balances at the beginning and end of the fiscal year. Used in developing and monitoring budgets of Special Revenue Funds, Debt Service Fund, and the Capital Projects Fund.

Net General Fund Impact (NGFI) - The same as NFI, applicable to the General Fund.

Object - A collection of accounts grouped and assembled by general type. For budgeting purposes, expenditure/expense objects are: Personal Services, Supplies & Services, Capital, Debt Service, and Other Financing Sources. Revenue objects are: General Property Taxes, Special Assessment, Licenses & Permits, Intergovernmental, Charges for Services, Fines & Forfeits, Interest, and Miscellaneous.

One Percent For Youth - A program that was established by the Board of Supervisors with the adoption of the fiscal year 1997/98 budget. At that time, the Board mandated a buildup of funding for various youth related programs, over the next four years, so that, by the fourth year (fiscal year 2000/01), one percent of the General Fund budget (excluding state mandated payments) would be so allocated.

Operating Budgets - Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most financing, acquisition, spending, and service delivery activities of a government are controlled.

Operating Expenditures/Expenses - Expenditures/expenses charged in a fixed period of time to reflect the day-to-day operations.

Operating Revenues - Revenues earned in a fixed period of time from daily operations. Property taxes collected make up the bulk of operating revenues for the General Fund, Flood Control District, County Free Library District, and Debt Service Fund. Grant revenues are not considered operating revenues.

Outside Agencies - A group of organizations that are not associated with nor allocated to any particular Pima County department. The outside agencies submit requests for funding to provide economic development, health, and social services for the County, and funds for approved service programs are distributed to the outside agencies via discretionary fund contracts. The Community Development & Neighborhood Conservation Department administers the Outside Agency Program.

PAG - Pima Association of Governments - A nonprofit council of governments serving as the regional planning agency and regional transportation authority for Pima County and the Tucson Metro Area. It is operated by a board of directors made up of elected executive officers from each of the six jurisdictions: Pima County, Tucson, Marana, Oro Valley, Sahuarita, and South Tucson. PAG receives funds from federal, state, and local governments for planning programs in air quality, water quality, transportation, and other regional programs.

Part Time Employee - A person who occupies a position that provides employment for less than 80 hours per pay period.

PCN - Position Control Number - A unique seven digit numeric identifier used by the Position Control and Financial Planning systems to differentiate between specific positions within the County.

Performance Based Budget - A budget that allocates funds for programs and services based on their worth, performance effectiveness, and contribution to the organization's overall mission, goals, and objectives. Theoretically, the decision to appropriate more or fewer resources for programs and services from year to year is based on how well they achieve their stated goals and outcomes. In order to assess the work efficiency of operating units, different types of performance measures are used: input, output, outcome, quality, and efficiency.

Performance Measure - A quantitative measure or qualitative assessment of how well a department has met or will meet its goals and objectives. Performance measures summarize the relationship between inputs and outputs in achieving outcomes with respect to effectiveness, efficiency, and quality. Performance measures demonstrate what the program service outputs are, what the expected quality levels are for these outputs, and what productivity is expected from expended man-hours and dollars.

Personal Property - Property of every kind, both tangible and intangible, not included in the definition of real estate. Generally, personal property is moveable property. In Arizona there are two types of personal property, secured and unsecured. The owner of secured personal property is required to have his property declared as secured property. Secured property is taxed at the same time and in the same way as real property. Much of the equipment and the buildings of mines and utilities are secured personal property. Unsecured personal property is usually moveable property that is not exempted by the Arizona Constitution. Business equipment and mobile homes are the most common types of unsecured personal property. The Assessor must include in the Abstract of Values an estimate of the value of the unsecured personal property.

Personal Services - All costs of compensating Pima County employees including employee benefit costs such as Pima County contributions for retirement, social security, health, and industrial insurance.

Position Control System - Mainframe based position tracking system, sometimes referred to by the acronym PCON.

PNAV - Primary Net Assessed Value - Determined by multiplying the Limited Value times the Assessment Ratio for the property and subtracting the value of any applicable property exemption. The Primary Net Assessed Value is used to determine the Primary Property Taxes due on a given property.

Primary Property Tax - All ad valorem taxes except for secondary property taxes. It is determined by dividing the PNAV by 100 and then multiplying the quotient times the Primary Tax Rate. The Primary Property Tax is used by the County, schools, towns, and cities to support ongoing operations of the jurisdiction as opposed to capital improvements or override amounts which must be approved by the voters. If the amount of primary taxes to be levied in a given year is more than the amount of natural growth in the tax base, there must be a public hearing before the increase is imposed. The amount of primary taxes that can be imposed is limited by statute.

Program - A group of closely related activities or services provided by an organization within the County. Programs produce some type of measurable result. The activities or services can be mandatory or discretionary. The activities or services also can have different funding sources (e.g., General Fund support, grants, Special Revenue Funds, etc.).

Program Budget - A budget that allocates funds to a higher level of organizational need, perhaps crossing standard organizational lines (youth program, for example).

Program Budgeting - A budget methodology that relates appropriations to goals. Budget developers practicing this approach strive to appropriate funds for goal-oriented units.

Proposition 204 - A state initiative passed in November 2000, that raised the income limits for Arizona residents to qualify for medical assistance, allowing a greater number to receive subsidized health care.

Proprietary Funds - Funds used to account for the County's ongoing activities that are similar to those found in the private sector. Proprietary funds include the County's Enterprise and Internal Service funds.

Public Works - The organizational entity comprised of the departments of Capital Projects; Development Services; Environmental Quality; Facilities Management (includes Parking Garages, an enterprise fund), Fleet Services; Regional Flood Control District; Graphic Services; Natural Resources, Parks & Recreation; Public Works Administration; Solid Waste Management; Transportation; and Wastewater Management.

Real Property - Land and improvements attached to the land. Exceptions are some improvements in those legal classes that are primarily valued by the Arizona Department of Revenue. In many cases the improvements for these classes of property are defined as secured personal property.

Recommended Budget - The budget, as proposed by the County Administrator to the Board of Supervisors, during the annual budget process.

Recreational Vehicle Space Surcharge - A 50¢ per night per space surcharge on recreational vehicles and travel trailers that lease a space in an RV park or mobile home park for less than 12 months. Vehicles that are paying personal property taxes on their vehicle instead of a vehicle license tax and have a longer than 12-month lease are exempt. The tax was imposed by the Board of Supervisors sitting as the Board of Directors of the County Stadium District.

Regular Employee - An employee who is employed full time, part time, or variable time on a continuous and continuing basis.

Revenues - Monies received as income. It includes such items as tax payments, fees for specific services, receipts from other governments, fines, interest income, etc.

Revised Budget - A department's authorized budget, as modified during the fiscal year, by the Board of Supervisors via the Budget Amendment Process.

SCAAP - State Criminal Alien Assistance Program - A federal program that provides reimbursement to states and other jurisdictions that incurred correctional officers' salary costs for detaining criminal illegal aliens.

Secondary Property Tax - Generally, a property tax approved by the voters. The Secondary Property Tax is used to retire the debt imposed to pay for capital improvements and approved budget overrides. Pima County has a number of Secondary Property Taxes. These taxes include the Regional Flood Control District, Library District, Debt Service and a non-voluntary tax called the Fire District Assistance tax. Other jurisdictions may impose their own secondary property taxes.

Self Insurance Trust Fund - An internal service fund that accounts for the risk management function of the County. The fund is administered by an appointed Board of Trustees and provides self insurance coverage to the County for medical malpractice, workers compensation, unemployment, general liability, property damage, environmental damage, and employee dental benefits. It also acquires coverage for other risks. The fund is financed by the General Fund and specific user departments.

SNAV - Secondary Net Assessed Value - This value is determined by multiplying the Full Cash Value times the proper Assessment Ratio for the property and subtracting the value of any Exemption applicable to the property. The Secondary Net Assessed Value is used to determine the Secondary Property Taxes due on a given property.

Sonoran Desert Conservation Plan - An initiative adopted in February 1998 by the Board of Supervisors to preserve and protect Pima County's desert environment. Led by a steering committee with the involvement of the public and multiple County departments, the plan will be developed with respect to critical and sensitive habitat conservation, historic and cultural preservation, and riparian protection. The goal of the Sonoran Desert Conservation Plan is to qualify for a Section 10(a) permit from the United States Department of the Interior. The permit will support a comprehensive conservation plan that guides the long term coexistence of Pima County's natural and urban environments, while upholding and giving the broadest application to the ecosystem protection goals of the Endangered Species Act.

Southwest Border Prosecution Initiative - An initiative (previously called the Southwest Border Local Assistance Initiative) that provides funds to Arizona, and three other border states, to reimburse state, county, tribal, and municipal governments for costs associated with the prosecution of federally initiated and declined-referred criminal cases.

Special Revenue Funds - A fund category used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special Revenue Funds include Transportation, Public Health, the Regional Flood Control District, Employment & Training, the County Free Library, the Stadium District, Environmental Quality, Solid Waste Management, and various departmental programs.

State Shared Sales Taxes - A state sales tax collected by the state, which is distributed by the state to the state general fund and to Arizona counties and cities to supplement revenues.

Super Department - An aggregation of departments that share a *specific* common purpose and are administered by a single department director/manager or elected official. ("Super Department" should not be confused with "Functional Area" which is a grouping of departments sharing a *broad* common purpose. For example, the Sheriff and the County Attorney departments, which are administered by different elected officials and are entirely separate departments, belong to the Justice & Law Enforcement functional area.) All Super Departments, except Wastewater Management, are represented by a four-digit numeric or alphanumeric designator that usually, but not always, corresponds to the first four digits of the operating department designator. For example, "1600" represents the County Attorney Super Department which is comprised of the following departments:

- | | |
|---|-------------------------------|
| 1600000 - County Attorney (operating department) | 5210000 - Victim Witness Comp |
| 5110000 - Fill the Gap | 5230000 - Bad Check |
| 5160000 - Victim Restitution | 5270000 - Consumer Protection |
| 5200000 - County Law Enforcement Antiracketeering | 8300000 - Grants |

The Super Departments and their component departments are presented in a listing within this Supplemental Information section.

Supplemental Package - The Financial Planning System contains packages A through Z. Packages B through Z refer to supplemental requests for funding in excess of the department Base Budget or expansion of the Operating Budget.

Tax Rate - As applied to property taxes, the tax rate is the rate per \$100 of net assessed value at which a property will be taxed. Both the Primary and Secondary Tax rates are set by the County Board of Supervisors or the governing boards of other taxing jurisdictions. The rate is determined by dividing the levy by the sum total of the Primary or Secondary Net Assessed Value (per \$100 of net assessed value) within the jurisdiction. The rate is then applied to the Primary or Secondary Net Assessed value (per \$100 of net assessed value for each individual property) to determine the amount of the taxes due on that property.

Tax Reduction/Debt Retirement Fund - The Tax Reduction/Debt Retirement Fund was established in fiscal year 1999/2000 for the purpose of pooling revenues from various activities in order to offset possible future tax increases. Fund sources include any new revenues derived from expense recoveries, such as federal or state reimbursements for criminal justice and law enforcement, sale of surplus property, and fee increases by General Fund departments, where General Fund support is reduced or the fees are not earmarked for a specific purpose.

Tax Year - The year in which a lien for property taxes is imposed. Liens are imposed on property on January 1st of the year in which the levy is set. The first half-year taxes are due on October 1st of the tax year, and the second half-year taxes are due on March 1st of the following calendar year. If taxes are not paid when due, the lien will be offered for sale.

Temporary Employee - An employee who has been appointed on a full-time, part-time, or variable-time basis for a limited period not to exceed eighteen months.

Tentative Budget - Per ARS §42-17101, the Board of Supervisors “. . . on or before the third Monday in July each year, shall prepare . . . an estimate of the different amounts that will be required to meet the . . . public expense . . . for the current fiscal year.”

Transient Lodging Excise Tax - A special tax levied on individuals who secure accommodations in any hotel, motel, or other organization that offers accommodations located in any jurisdiction which does not levy a municipal occupational license tax. Receipts from Pima County’s transient lodging excise tax are distributed to the Stadium District (34%), the Economic Development Special Revenue Fund (16%) and to the Metropolitan Tucson Convention & Visitors Bureau for tourism promotion (50%).

Truth in Bonding Ordinance - Ordinance 1997-25 that added Pima County Code Chapter 3.06 “Bonding Disclosure, Accountability, and Implementation,” requiring the Board of Supervisors to provide notification to voters prior to a bond election of what projects will be constructed with bond revenues and provide assurances that the County will carry out the bond programs as authorized.

VLT - Vehicle License Tax - An ad valorem tax imposed on cars, trucks, and trailers in the state of Arizona. This tax is usually collected by the counties, but some counties have opted to have the state collect the tax. In Pima County, this tax is collected by the Arizona Department of Motor Vehicles and then redistributed to the County. The VLT is a major revenue source for Pima County. (Note: The Chart of Accounts identifies the VLT revenue account as Shared Vehicle License Tax – 44701.)

Workforce Investment Act (WIA) of 1998 – The act that requires states to streamline and consolidate their training systems by creating a “one stop” approach for the delivery of services. The WIA replaced the Job Training Partnership Act and established a new workforce development program for the nation.

Zero Base Budget - This type of budget is generally used in conjunction with program budgeting (although it may be applied to line item budgeting). It is a budget for which the funding level must be justified without regard to prior year funding levels. Under a target base approach, the prior year's budget is adjusted for known financial changes, such as approved salary and benefit adjustments, and is then used as the starting point for the current year. Modifications to this base are requested in supplemental packages. Under a zero base approach, no specific target base is established. The department evaluates its current level of operations, programmatic structure, and staffing in the context of its function statement and mandates. Organizational revisions, if beneficial to the achievement of department goals, are made. Programs are then subdivided into services which define the department's product, or benefit, to the County. Each service is individually budgeted at its current level and can be individually evaluated for adoption. Each line item for each service is evaluated and justified. During the fiscal year, the actual costs of each service can be captured, and variances from budgeted costs are monitored and analyzed.

SUPER DEPARTMENT LISTING FOR FISCAL YEAR 2006/2007

Super Department	Department
1000	ASSESSOR
	1000000 ASSESSOR
1100	BOARD OF SUPERVISORS
	1100000 BOARD OF SUPERVISORS
1300	CLERK OF THE BOARD
	1300000 CLERK OF THE BOARD
1400	CLERK OF SUPERIOR COURT
	1400000 CLERK OF SUPERIOR COURT
	5100000 COC VICTIM LOCATION FUND
	5130000 COC SPOUSAL MAINTENANCE ENFORCEMENT
	5140000 COC LOCAL COURT AUTOMATION FUND
	5260000 COC CHILD SUPPORT INCENTIVE
	5330000 COC DOCUMENT STORAGE & RETRIEVAL
	5340000 COC TIME PAY FEES
	8670000 COC JUDICIAL COLLECTION ENHANCEMENT
1500	CONSTABLES
	1500000 CONSTABLES
1600	COUNTY ATTORNEY
	1600000 COUNTY ATTORNEY
	5110000 CO ATTY FILL THE GAP
	5160000 CO ATTY VICTIM RESTITUTION
	5200000 COUNTY LAW ENFORCEMENT ANTIRACKETEERING
	5210000 CO ATTY VICTIM WITNESS COMP
	5230000 CO ATTY BAD CHECK PROGRAM
	5250000 CO ATTY CHILD SUPPORT
	5270000 CO ATTY C.O.T. CONSUMER PROTECTION
	8300000 COUNTY ATTORNEY GRANTS
1700	COUNTY ADMINISTRATOR
	1700000 COUNTY ADMINISTRATOR
	5150000 FACILITIES RENEWAL FUND
	5530000 SPACE ACQUISITION FUND
	8350000 COUNTY ADMINISTRATOR GRANTS
1710	ELECTIONS
	1710000 ELECTIONS
1850	NON DEPARTMENTAL
	1850000 NON DEPARTMENTAL
	3290000 GENERAL GOVERNMENT REVENUES
	3300000 CONTINGENCY
	3340000 GENERAL FUND DEBT SERVICE
	5370000 EMPLOYEE BENEFIT LIABILITY FUND
	5372000 PROPERTY TAX RATE STABILIZATION FUND
	5800000 DEBT SERVICE
1900	FACILITIES MANAGEMENT
	1900000 FACILITIES MANAGEMENT
	5520000 PUBLIC WORKS BUILDING
	7210000 PARKING GARAGES

SUPER DEPARTMENT LISTING FOR FISCAL YEAR 2006/2007

Super Department	Department
2000	FINANCE & RISK MANAGEMENT
	2000000 FINANCE
	5510000 IMPROVEMENT DISTRICTS FORMATION FUND
	8050000 RISK MANAGEMENT
2320	INFORMATION TECHNOLOGY
	8060000 MOUNT LEMMON FIRE
	2320000 INFORMATION TECHNOLOGY
	5373000 IT ENHANCEMENT FUND
2500	INSTITUTIONAL HEALTH
	8020000 COMMUNICATIONS
2500	INSTITUTIONAL HEALTH
	2500000 INSTITUTIONAL HEALTH
2600	INDIGENT DEFENSE
	2600000 INDIGENT DEFENSE
	5120000 INDIGENT DEFENSE FILL THE GAP
	8470000 INDIGENT DEFENSE GRANTS
	8620000 LEGAL DEFENDER TRAINING FUND
	8660000 PUBLIC DEFENDER TRAINING FUND
2700	JUSTICE COURT AJO
	2700000 JUSTICE COURT AJO
	5490000 JC AJO TIME PAY FEES
2710	JUSTICE COURT AJO GRANTS
	8730000 JUSTICE COURT AJO GRANTS
	2710000 JUSTICE COURT GREEN VALLEY
2720	JUSTICE COURT GREEN VALLEY
	5480000 JC GV TIME PAY FEES
	2720000 JUSTICE COURTS TUCSON
2730	JUSTICE COURTS TUCSON
	5380000 JC TUCSON TIME PAY FEES
	8550000 JUSTICE COURTS TUCSON GRANTS
2730	OFFICE OF COURT APPOINTED COUNSEL
	2610000 CONTRACT ATTORNEYS
	2730000 OFFICE OF COURT APPOINTED COUNSEL
2920	PUBLIC WORKS ADMINISTRATION
	2920000 PUBLIC WORKS ADMINISTRATION
2940	COMMUNITY RESOURCES
	2940000 COMMUNITY RESOURCES
	9740000 PIMA VOCATIONAL HIGH SCHOOL
2950	COMMUNITY DEVELOP & NEIGHBORHOOD CONSERV
	2950000 COMMUNITY DEVELOP & NEIGHBORHOOD CONSERV
	5171000 NEIGHBORHOOD CONSERVATION
	5172000 HOUSING TRUST FUND
2970	COMMUNITY SERVICES GRANTS
	8900000 COMMUNITY SERVICES GRANTS
	2970000 COMMUNITY & ECONOMIC DEVELOPMENT ADMIN

SUPER DEPARTMENT LISTING FOR FISCAL YEAR 2006/2007

Super Department	Department
3000	JUVENILE COURT
	3000000 JUVENILE COURT
	5240000 JUVENILE VICTIM RESTITUTION
	5390000 JUVENILE PROBATION SERVICES
3250	8600000 JUVENILE COURT GRANTS
	3250000 FORENSIC SCIENCE CENTER
3310	COMMUNITY SVCS, EMPLOYMENT & TRAINING
	3310000 COMMUNITY SERVICES
3350	9410000 EMPLOYMENT & TRAINING
	3350000 HUMAN RESOURCES
3400	NATURAL RESOURCES, PARKS & RECREATION
	3400000 NATURAL RESOURCES, PARKS & RECREATION
	5190000 PARKS SPECIAL PROGRAMS
3600	8690000 PARKS & RECREATION GRANTS
	3600000 PUBLIC FIDUCIARY
3800	PROCUREMENT
3900	3800000 PROCUREMENT
	3900000 RECORDER
4000	5350000 RECORDER DOC STORAGE & RETRIEVAL
	4000000 SHERIFF
	5300000 SHERIFF STATE RICO FUND
4100	5400000 SHERIFF MANTIS ANTIRACKETEERING
	5440000 SHERIFF FEDERAL RICO FUND
	5470000 SHERIFF CRIMINAL JUSTICE ENHANCEMENT
	5540000 SHERIFF COMMISSARY OPERATIONS
	5570000 SHERIFF INMATE WELFARE FUND
	8750000 SHERIFF GRANTS
	4100000 SCHOOL SUPERINTENDENT
4200	8790000 SCHOOL RESERVE FUND
	4200000 SUPERIOR COURT
4210000	SUPERIOR COURT MANDATED SERVICES
	5080000 SUPERIOR CRT LOCAL COURT AUTOMATION FUND
	5180000 COURTS FILL THE GAP
	5280000 SUPERIOR COURT CHILD SUPPORT VISITATION
	5310000 SUPERIOR COURT COUNTY LAW LIBRARY
	5360000 SUPERIOR COURT PROBATE
	5410000 SUPERIOR COURT CONCILIATION
	5430000 SUPERIOR COURT PROBATION SERVICES
	8100000 SUPERIOR COURT GRANTS

SUPER DEPARTMENT LISTING FOR FISCAL YEAR 2006/2007

Super Department	Department
4300	TREASURER
	4300000 TREASURER
	5560000 TAXPAYER INFORMATION FUND
4610	TRANSPORTATION
	4610000 TRANSPORTATION
4810	PUBLIC HEALTH
	4810000 PUBLIC HEALTH
	8400000 PUBLIC HEALTH GRANTS
5010	REGIONAL FLOOD CONTROL DISTRICT
	5010000 REGIONAL FLOOD CONTROL DISTRICT
5610	ENVIRONMENTAL QUALITY
	5610000 ENVIRONMENTAL QUALITY
	8380000 ENVIRONMENTAL QUALITY GRANTS
5630	SOLID WASTE MANAGEMENT
	5630000 SOLID WASTE MANAGEMENT
	5640000 TIRE FUND
6010	COUNTY FREE LIBRARY
	6010000 COUNTY FREE LIBRARY
	8290000 COUNTY FREE LIBRARY GRANTS
6020	STADIUM DISTRICT
	6020000 STADIUM DISTRICT
6030	ECONOMIC DEVELOPMENT & TOURISM
	6030000 ECONOMIC DEVELOPMENT & TOURISM
6400	CAPITAL PROJECTS
	6400000 CAPITAL PROJECTS
7260	PIMA HEALTH SYSTEM & SERVICES
	7260000 PIMA HEALTH SYSTEM & SERVICES
	8630000 PIMA HEALTH SYSTEM GRANTS
7360	DEVELOPMENT SERVICES
	7360000 DEVELOPMENT SERVICES
8000	FLEET SERVICES
	8000000 FLEET SERVICES
8010	GRAPHIC SERVICES
	8010000 GRAPHIC SERVICES
W000	WASTEWATER MANAGEMENT
	W000000 WASTEWATER MANAGEMENT
	8780000 WASTEWATER GRANTS



PIMA COUNTY, ARIZONA BOARD OF SUPERVISORS POLICY

Subject: Budget Accountability

Policy Number

Page

D22.2

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PURPOSE

To establish guidelines and a methodology for the Board of Supervisors to perform their duties relating to the budget needed to operate Pima County Government as provided for by law by exercising financial and programmatic control over expenditures and revenues related to County programs and services.

BACKGROUND

Pursuant to the Constitution and Statutes of Arizona governing the financial responsibilities of counties:

1. The Board of Supervisors must annually adopt a balanced budget for the operation of Pima County government.
2. Within that annual budget the Board has the authority and responsibility to determine the individual budgets of all elected and appointed County officers.
3. Elected and appointed officers of the County may not expend public monies in excess of those appropriated by the Board.
4. Elected and appointed officers of the County may not expend public monies for a purpose not included in the annual budget adopted by the Board or expend public monies in excess of the amount specified for each purpose in the budget.
5. In order to perform their financial duties the Board may examine and scrutinize all accounts and financial transactions of County officers having the care, management, collection or disbursement of public monies.
6. The Board of Supervisors acting in its legislative capacity has exclusive authority to annually levy such tax on the property of the County as is necessary to fund the expenses of County government at a level the Board determines to be appropriate.

POLICY

A. Appropriations for Supplemental Funding

If the Board of Supervisors appropriates supplemental funding to a department in excess of the base budget or targeted funding level allocated to that department for development of its annual operating budget, then that supplemental appropriation shall be expended only for the purpose(s) set forth in the original request or proposal for the supplemental funding together with any modifications or restrictions imposed by the Board on the appropriation. Alternative use of any portion of a supplemental appropriation requires prior approval of the Board of Supervisors and such

requests shall be submitted, processed and transmitted to the Board pursuant to an administrative procedure developed by the County Administrator. At the time of submitting budget requests for the next fiscal year each department that received supplemental funding in the last budget adopted by the Board shall also submit a report accounting for the actual and projected expenditure of each such appropriation during the current fiscal year. Supplemental monies not expended for the purpose for which they were appropriated shall revert at the end of the fiscal year to the fund from which they were appropriated unless otherwise directed by the Board.

B. Transfers of Appropriations Among Programs

Appropriations by the Board of Supervisors to fund a County program shall not be transferred to or used for any other County program or purpose without approval of the Board if such transfer would add or delete a program or substantially increase or decrease the monies expended or substantially change the levels of service being provided by any County program including the acceptance or continuance of any grant that will cause the direct or indirect expenditure of any non-grant monies of the County. Requests for Board approval of such transfers shall be submitted, processed and transmitted to the Board pursuant to an administrative procedure developed by the County Administrator.

- For purposes of this policy "Program" means an activity or group of activities, together with related and necessary equipment and facilities, that accomplish a single function or category of service and includes each of multiple programs within a single department.

C. Budget Exceedance

The County Administrator shall provide to each director or officer of a department of the County a monthly report beginning at the end of the first quarter of each fiscal year setting forth actual expenditures and revenues to date of their department and a comparison to the adopted budget.

If at any time after the fiscal year to date report for the month of March the net fund impact of a department is ten percent more negative than the adopted budget based upon a straight line apportionment of the adopted budget throughout the fiscal year, the director or officer of that department shall immediately develop and implement a budget remediation plan to ensure that the department's budgeted net fund impact is not exceeded at the end of the fiscal year. Within ten days from the issuance of a monthly report showing a department's net fund impact to be ten percent more negative than the adopted budget the director or officer of that department shall submit to the Board of Supervisors through the County Administrator a written budget remediation plan or, if applicable, an alternative projection utilizing methodology other than straight line that more accurately predicts no negative variance in net fund impact of the department for the fiscal year.

If at the end of any fiscal year a department's net fund impact was more negative than that authorized by the adopted budget, then the director or officer of that department shall submit a report to the Board of Supervisors prior to September 1 describing what remedial actions were taken to avoid the budget exceedance and why such actions were inadequate.

D. Applicability

This policy applies to all departments and special districts of Pima County, whether under the supervision of an elected or appointed official, as identified in the adopted County Budget.

AUG 3 1999



PIMA COUNTY, ARIZONA BOARD OF SUPERVISORS POLICY

Subject:

Performance Audits of County Departments

Policy Number

D 22.3

Page

1 of 3

Purpose

To establish a countywide policy for the use of performance audits to facilitate and enhance the effectiveness and efficiency of County departments and programs.

Background

Pursuant to law the Board of Supervisors must each year adopt a balanced budget for the operation of Pima County government that appropriates sufficient funding to "pay as you go". Correspondingly, elected and appointed officials and managers of the County cannot, pursuant to law, expend monies in excess of the amount appropriated by the Board. Notwithstanding this requirement, each fiscal year numerous County offices, departments and programs have historically overspent their budget or under realized budgeted revenues thereby creating substantial fiscal uncertainty and an inability for the Board to adequately meet its responsibility to plan for the budgetary needs of the County.

To constructively address this problem performance audits will be utilized pursuant to this policy to professionally and independently evaluate how funding is being used and managed to achieve program results and to recommend appropriate improvements to facilitate increased efficiency and effectiveness.

Policy

A. Definitions

In this policy, unless the context otherwise requires:

1. "Audit objectives" means the specific issues to be addressed and results to be achieved by an audit.
2. "Audit scope" means the programs, activities and functions to be included in an audit.
3. "Economy and Efficiency Audit" means an audit that determines:
 - (a) Whether the department is acquiring, protecting and using its resources economically and efficiently,
 - (b) The causes of identified inefficiencies or uneconomical practices, and
 - (c) Whether the department has complied with applicable laws, regulations and policies relating to economy and efficiency.
4. "Management controls" means the plan of organization, methodology and procedures adopted by management to measure and report performance and ensure that operational and departmental goals are met.
5. "Net Fund Impact" or "NFI" means the calculation that quantifies the difference between revenues and expenditures for a department.

<u>Subject:</u> Performance Audits of County Departments	Policy Number	Page
	D 22.3	2 of 3
<p>6. "Performance Audit" means the objective and systematic examination of evidence for the purpose of providing an independent assessment of the performance of a County department, program, activity or function in order to provide information to improve accountability to the public and facilitate fiscal and programmatic decision-making including the initiation of appropriate corrective action and includes an economy and efficiency audit and a program audit.</p> <p>7. "Program Audit" means an audit that determines:</p> <ul style="list-style-type: none"> (a) The extent to which desired results or benefits are being achieved, (b) The effectiveness of programs, activities, or functions, and (c) Whether the department complies with laws, regulations and policies applicable to programs, activities, or functions. 		
<p>B. <u>Performance Audits to be Undertaken</u></p> <p>Each year those departments that exceeded their budgeted NFI for the previous fiscal year by more than \$250,000 shall be subject to a performance audit as described in section D below. The County Administrator, based upon a review of the previous fiscal year's expenditures and revenues related to each program within such a department, may limit the scope of the performance audit to only those programs, activities or functions that substantially contributed to the NFI exceedance or that have a cash deficit.</p>		
<p>C. <u>Selection of Auditors</u></p> <p>The County Administrator shall, at least biennially, advertise for interested consultants qualified to perform audits pursuant to this policy on an as needed basis. A Request for Qualifications shall be sent to each consultant who responds to the advertisement and to all certified MWBE firms qualified to perform the types of audits listed in the advertisement. All Qualifications Statements submitted in response to the Request for Qualifications shall be maintained by the County Administrator's Office. As performance audits are required pursuant to this policy, the County Administrator shall negotiate contracts with particular consultants based on subject matter expertise, availability and/or resources appropriate to the size of each audit. The contract shall identify the scope of work and the specific objectives for each audit. The contracts shall be executed by the County Administrator or the Board as required by the County Code.</p>		
<p>D. <u>Performance Audit Objectives and Conduct</u></p> <p>Each performance audit shall include a program audit and an economy and efficiency audit guided by specific audit objectives developed for each performance audit. The objectives of each performance audit may include, but are not limited to:</p> <ul style="list-style-type: none"> 1. Determination of the cause(s) of NFI accedence. 2. Identification of revenue enhancement opportunities. 3. Identification of opportunities for cost recovery. 4. Development of recommendations for achieving program and service delivery economies, cost efficiencies and operational improvements. 5. Assessment of the performance and compliance of department programs measured against the purpose or goals prescribed by law or regulation or set by management, applicable technical standards or norms, expert opinions, prior years' performance and performance of similar entities. 6. Assessment of existing management controls and development of recommendations for their 		

Subject:

Performance Audits of County Departments

Policy Number

D 22.3

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Each department subject to a performance audit, including all of its personnel, shall fully cooperate and assist the auditors and make all records, documents and information not confidential by law available for use by the auditors.

E. Audit Report

Upon completion of the audit an Audit Report shall be transmitted to each member of the Board of Supervisors, the County Administrator and the official or director of the audited department that includes at least the following:

1. Audit scope, objectives and methodology.
2. Significant findings and conclusions developed in response to each audit objective.
3. Recommendations for actions to correct deficiencies and improve operations.
4. All instances of significant noncompliance.
5. The comments of the department official or director concerning the auditor's findings, conclusions and recommendations including plans to correct deficiencies.
6. Noteworthy accomplishments of the department.
7. The nature of any material information omitted from the report and the reason for its nondisclosure.

OCT 26 1999



**PIMA COUNTY, ARIZONA
BOARD OF SUPERVISORS POLICY**

Subject:

Tax Reduction and Debt Retirement Fund

Policy Number

D 22.4

Page

1 of 1

Purpose

The purpose of this policy is to establish a Pima County Tax Reduction and Debt Retirement Fund to be used to reduce cash flow borrowing as well as reduce or offset property tax rate increases that would otherwise be required to retire long term deficits within the County or fund other one-time expenditures necessary to provide for the health, safety or welfare of County residents.

Policy

There is established a Pima County Tax Reduction and Debt Retirement Fund. The Fund consists of unrestricted monies specifically budgeted or transferred to the Fund by the Board of Supervisors.

Monies to be considered by the Board for potential budgeting or transfer to the Fund shall include:

1. Unanticipated reimbursements for previously provided services.
2. Unbudgeted revenues from newly implemented fee schedules.
3. Unbudgeted revenue sharing or cost savings resulting from actions of the state or federal government.
4. Proceeds from the sale of County assets.
5. Unbudgeted monetary judgments in favor of the County.

The minimum target balance for the Fund is five million dollars and may be increased by recommendation of the County Administrator and approval by the Board.

The Fund shall be used by the Board of Supervisors in adopting the annual operating budget for the County to reduce the amount of countywide taxes that would otherwise be necessary to be levied.

Expenditures and uses of the Fund may include:

1. Fiscal stabilization by supplementing revenues during economic downturns. Such use shall include a plan to implement appropriate budgetary and financial management changes to accommodate the new, constrained economic environment.
2. Retiring outstanding long and/or short term debt.
3. Reduction of cash flow borrowing.
4. Funding of one-time capital purchases with cash to avoid incurring debt, as long as sufficient reserves remain to ensure financial stability.
5. Funding of outstanding but otherwise unfunded liabilities of the County including liabilities associated with major County assets.

The County Administrator shall include within the annual Recommended Budget recommendations consistent with this policy for allocations to and expenditures from the Fund. During a Fiscal Year the County Administrator may recommend to the Board that monies identified by this policy be transferred into the Fund.

OCT 26 1999



**PIMA COUNTY, ARIZONA
BOARD OF SUPERVISORS POLICY**

Subject: Periodic Review of Departmental Base Budgets	Policy Number	Page
	D 22.5	1 of 1

Purpose

To provide for a periodic, comprehensive review of the base budgets of all County departments; to thoroughly reevaluate the expenditures and revenues attributable to each program within a department; and to determine optimal levels of funding that coincide with workload, projected revenues, operational management controls and policy priorities.

Background

Pima County uses a system of target base budgeting to develop and recommend to the Board of Supervisors an annual operating budget. Under this system a department's budgeted expenditures and revenues are adjusted from year-to-year only to the extent that readily identifiable changes to laws or factual circumstances directly impact expenditures or revenues or to implement specific actions of the Board. The cumulative effect of target base budgeting is that ongoing programs within departments are never subject to a comprehensive, systematic reevaluation that examines whether expenditures and revenues originally assigned within the base continue to be justified within the context of changing service demands and overall County policies and priorities. This policy addresses this deficiency by providing for such reevaluation for all departments on a periodic basis.

Policy

- A. **Utilization of Zero-Base Budgeting** - Beginning with fiscal year 2000/2001, every department in Pima County shall develop an annual operating budget at least once during each subsequent four year period using zero-base budgeting methodology as described in subsection B of this policy. The County Administrator shall, prior to December 1, forward to the Board of Supervisors for approval a list of departments recommended for zero-base budget development for the next fiscal year. For fiscal year 2000/2001 the County Administrator's recommended list shall emphasize departments that exceeded budgeted net fund impact in fiscal year 1998/1999.
- B. **Zero-Base Budgeting Methodology** - The County Administrator shall develop, adopt and implement administrative procedures for zero-base budget development that accomplish the following policy objectives:
1. Requires a department and all of its programs to build a budget from zero to a level based upon actual services performed.
 2. Compares the projected cost of services provided by each program with costs incurred by other public providers of that service.
 3. Requires departments to prioritize and justify the continued existence of each of their programs.
 4. Provides the Board of Supervisors with additional relevant information to facilitate a decision as to whether each program within a department should be continued, discontinued or continued at an increased or decreased level of funding and service delivery. This information should include a description of the projected impacts of incremental reductions to funding received by each program in the previous fiscal year.
 5. Requires departments to submit separate zero-base budget requests for new or expanded services.

OCT 26 1999



PIMA COUNTY, ARIZONA BOARD OF SUPERVISORS POLICY

Subject:

Policy for Accepting and Administering Grants

Policy Number

D 22.6

Page

1 of 3

Purpose

The purpose of this policy is to ensure optimum financial terms and reimbursements for Pima County when receiving grant funding and to facilitate informed, timely decisions by the Board of Supervisors when considering and accepting grants by establishing a formal, uniform process for:

1. Evaluating, applying for and accepting grants,
2. Negotiating the terms and conditions of grant agreements, and
3. Monitoring grant related expenditures.

Background

Pima County receives significant grant funding from federal, state and local agencies. Prior to the adoption of this policy, the Board of Supervisors frequently was not apprised of grant applications and resulting fiscal impacts to the County until after grants were awarded and funding was pending or, in some cases, already received. Further, information and analysis accompanying requests for grant acceptance were inconsistent and in some instances insufficient to allow the Board to manage and plan for the short and long term fiscal needs of the County. This policy addresses these issues as well as setting forth the Board's expectations concerning acceptable terms and conditions under which grant funding is received.

Policy

A. Definitions

In this policy, unless the context otherwise requires:

1. "Board" means the Pima County Board of Supervisors.
2. "Fund Impact" means any cash or in-kind matching requirement for the receipt of grant funds and includes overhead charges if such charges are not entirely supported by grant funds.
3. "Grant" means any contribution or gift of cash or other assets from a governmental or private entity to be used for a specific purpose.
4. "Ongoing Grant" means a grant program that is expected to provide grant funding each year for an unlimited duration and for which the terms and conditions remain substantially unchanged.
5. "Overhead Charges" means direct and indirect administrative costs incurred by the County that are attributable to and benefit a grant program that are calculated and allocated by the Finance Department in conformance with federal law and accepted principles of governmental accounting.
6. "Responsible Department" means the department, office or agency under the budgetary jurisdiction of the Board that has direct oversight responsibility for the program(s) or service(s) to be funded partially or entirely with funds from a grant award.

Subject:

Policy for Accepting and Administering Grants

Policy Number

D 22.6

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B. Approval to Apply for Grants

1. Except in the case of ongoing grants that have previously been approved by the Board, all applications for grants that will have a fund impact must be approved by the County Administrator prior to submittal.
2. Prior to submission of an application for grant funding, the responsible department shall determine whether receipt of the grant will create current or future fund impact. If a fund impact will occur the responsible department shall:
 - a) Calculate the amount of fund impact, both cash and in-kind, for the current and future fiscal years including the cost to continue the grant funded services when the grant funds expire. If in-kind match is to be provided the calculation must include impacts on other existing departmental programs and services.
 - b) Prepare a cost benefit analysis of the grant including whether the grant funded services are mandated by law.
 - c) Transmit to the County Administrator and the Finance Department the information described in items (a) and (b) above together with a description of all material grant terms and conditions including the method and schedule of grant disbursements and whether all overhead charges will be paid from grant funds.
3. The County Administrator shall periodically report to the Board pending grant applications.

C. Approval to Accept Grants

1. All grants must be accepted and approved by the Board prior to receipt and expenditure of grant funds.
2. Requests by responsible departments for approval to accept grants shall:
 - (a) Be transmitted to the County Administrator for placement on the Board's meeting agenda,
 - (b) Include the information, revised as appropriate to reflect the actual grant award, required by section B, paragraph 2 of this policy relating to application for grants, and
 - o Be copied to the Finance Department.
3. If required to comply with a material deadline for acceptance of a grant, the County Administrator may preliminarily approve acceptance of a grant subject to subsequent ratification by the Board.

D. Terms and Conditions of Grants

Though the Board may authorize exceptions for specific grants, it is the general expectation of the Board that all grants:

1. Pay all of their overhead charges as calculated and allocated by the Finance Department.
2. Be distributed in advance of expenditures by the County for grant funded services or, if unavoidable, reimbursed after such expenditures no less frequently than each month. If expenses will be reimbursed interest expense incurred by the County to advance cash for the services should be supported by the grant funding.
3. Utilize in-kind contributions in lieu of cash to satisfy match requirements and, if cash must be utilized, that revenue sources other than General Fund be expended.

Subject: Policy for Accepting and Administering Grants	Policy Number D 22.6	Page 3 of 3
<p data-bbox="110 304 316 336"><u>Implementation</u></p> <p data-bbox="159 367 1388 430">The County Administrator shall develop and distribute an administrative procedure to promote uniform reporting and processing of grant approvals pursuant to this policy.</p> <p data-bbox="110 457 495 489"><u>Prior Policies and Procedures</u></p> <p data-bbox="159 514 1388 577">All previously adopted Board of Supervisors' Policies and County Administrative Procedures in conflict with this policy are repealed to the extent of such conflicts.</p> <p data-bbox="1266 609 1437 640" style="text-align: right;">OCT 26 1999</p>		

PIMA COUNTY DEBT POLICIES AND PRACTICES

This section presents the types of debt, uses, restrictions, legal requirements, and other considerations related to the issuance of debt by Pima County. Individual long-term debt schedules are included in the following *Supplemental Information* section - *Long Term Debt Schedules*. All of the following items except Line of Credit are considered long term debt.

Line of Credit. The County maintains a revolving line of credit with its servicing bank, currently the Bank of America National Association, to address short term borrowing needs for cash flow purposes. There is a maximum line of credit of \$50,000,000, and as of June 30, 2006, this entire amount was available. Advances on the line of credit are payable on demand. The County's general taxing authority secures the credit line.

General Obligation Bonds. General Obligation Bonds are considered to be a general debt of the County. According to the Arizona State Constitution, general obligation debt may not exceed 6 percent of the value of the County's taxable property, as of the latest assessment. However, with voter approval, debt may be incurred up to 15 percent of the value. The legal debt margin projected as of June 30, 2007 is specified in the *Supplemental Information* section - *Long Term Debt Service Schedules*. Chapter 3.06 of the Pima County Code, *Bonding Disclosure, Accountability and Implementation* (the last seven pages of this section), sets forth requirements for presenting general obligation and revenue bond packages to the electorate for approval and for monitoring utilization of the proceeds from authorized bonds. General obligation bonding is to be used to make local infrastructure investments and capital improvements and is not to be used to fund operating activities. Neither is general obligation debt to be used for enterprise improvements. General obligation bond debt authorized by the voters is retired through an annual levy of a secondary property tax assessed against the value of all property in Pima County.

In 1997, voters approved \$257 million of general obligation bonds. Per Pima County Board of Supervisors Ordinance No. 1997-35 (*Bond Improvement Plan*, as amended), the term of this debt is to be not longer than 15 years, and the secondary property tax rate required to pay off the debt is to be maintained at or below \$1.00 per \$100 of assessed valuation. For fiscal year 2005/06, the secondary tax rate was reduced to \$0.7150 per \$100 of assessed valuation, and will be maintained at that rate for fiscal year 2006/07.

A special bond election was held on May 18, 2004 approving additional general obligation bonds in the amount of \$582,250,000. Per Pima County Board of Supervisors Ordinance No. 2004-18 (*Bond Implementation Plan*, as amended), the term of the general obligation bond debt is to be not longer than 15 years, and the secondary property tax rate required to pay off the debt is to be maintained at no higher than the rate in effect at the time, \$0.8150 per \$100 of assessed valuation, throughout this term. Again, as stated above, for fiscal year 2005/06, the secondary tax rate was reduced to \$0.7150 per \$100 of assessed valuation, and will be maintained at that rate for fiscal year 2006/07.

On May 16, 2006, voters approved another \$54,000,000 of general obligation bonds for the construction of psychiatric care facilities. Per Pima County Board of Supervisors Ordinance No. 2006-29 (*Bond Implementation Plan*), the term of this debt is to be not longer than 15 years, and the secondary property tax rate required to pay off all general obligation bond debt service is to be maintained at or below \$0.7150 per \$100 of assessed valuation. For fiscal year 2005/06, the secondary tax rate was reduced to \$0.7150 per \$100 of assessed valuation, and will be maintained at that rate for fiscal year 2006/07.

Revenue Bonds. Sewer revenue bonds may be issued to provide financing for improvements to the County's wastewater management system. Such bonds are a debt obligation of Wastewater Management enterprise operations. Revenues, comprised primarily of sewer fees and connection

fees, are pledged to retire the debt. Before Wastewater can issue bonds, voters must authorize the Enterprise Fund to incur debt, but not to exceed a specified amount. The authorization must also specify the purpose for which the proceeds will be used. Board of Supervisors Resolution 1991-138 directs Wastewater Management to maintain a "bond coverage ratio" which is calculated as the product of total revenue minus operational expenses and divided by debt service costs. This resolution mandates that the "bond coverage ratio" must be at least 1.20. Through this resolution, the County establishes and maintains rates, fees and charges for service supplied by the wastewater system fully sufficient at all times to pay the reasonable operation and maintenance costs of the system, as well as 1.20 times debt service costs. Per Pima County Board of Supervisors Ordinance No. 1997-35, the schedule of bond sales on \$105 million of voter approved debt was premised on annual increases in Wastewater Management user fees of approximately 5 percent and increases in connection fees of approximately 12 percent. User fees and connection fees increased by 5.3 percent and 11 percent respectively in fiscal year 1999/2000, by 5 percent and 11 percent in fiscal year 2000/01, by 3.8 percent and 12 percent in fiscal year 2001/02, and by 5 percent and 12 percent in fiscal year 2002/03. Additional increases in connection fees of 12 percent became effective on June 1, 2003 and September 1, 2003. An increase of 4 percent in user fees and 6 percent in connection fees became effective July 1, 2004. Additional sewer revenue bonds in the amount of \$150,000,000 were approved in the special bond election held on May 18, 2004. Per Pima County Board of Supervisors Ordinance No. 2004-18, user fees can increase as much as 8 percent and connection fees can increase as much as 12 percent as a result of the new issuance. On June 21, 2005 user fees were increased by 8 percent and connection fees were increased by 10 percent. Per Pima County Ordinance No. 2006-52, user fees can increase as much as 6 percent on August 11, 2006 and an additional 6 percent on January 1, 2007. Per Pima County Ordinance No. 2006-51, connection fees can increase as much as 6 percent on August 11, 2006 and an additional 6 percent on January 1, 2007. In fiscal year 2006/07 user fees and connection fees both will increase by 12 percent in 6 percent increments on the dates specified above.

Transportation revenue bonds, authorized in the November 1997 bond election, are repaid with Highway User Revenue Fund (HURF) revenues. Arizona Revised Statute § 11-378 requires specific ratios between HURF revenues and debt service payments. Aggregate debt service payments budgeted for fiscal year 2006/07 are within the statutory requirements.

Special District Bonds. Pima County is authorized to create several different types of special taxing districts, each bound by separate statutory provisions. Special districts so created are:

Regional Flood Control District. The Regional Flood Control District is coterminous with Pima County and can issue debt when voters authorize the district to levy a tax on the secondary valuation of real property. The authorization must specify the purpose for which the proceeds will be used, not to exceed a specified amount. Payments for principal and interest on general obligation bonds of the Regional Flood Control District are made from the Debt Service Fund, with property tax revenues transferred from the district. Regional Flood Control District general obligation debt may not exceed five percent of the value of the district's taxable property as of the latest assessment. Currently, the legal debt margin percentage is less than one percent.

Library District. The Library District is coterminous with Pima County and can issue debt when voters authorize the District to levy a tax on the secondary valuation of real and personal property. The authorization must specify the purpose for which the proceeds will be used, not to exceed a certain amount. To date, the Library District has issued no debt.

Stadium District. The Pima County Stadium District is coterminous with Pima County and can issue debt upon authorization of the Board of Directors to pledge District revenues to retire the debt. The Baseball Stadium was financed with proceeds of the sale of the Pima County Adult Detention Facility to First Trust of Arizona, National Association for \$34,500,000 on February 1, 1997. Money for the bank's purchase of the Adult Detention Facility came from the County's issuance of \$35,660,000

principal amount of bonds called "Certificates of Participation." Also on February 1, 1997, the County entered into a Capital Lease of the Adult Detention Facilities with First Trust for \$35,660,000 for a 15 year term. On September 1, 1999, Pima County amended this lease-purchase agreement for the Adult Detention Facility. The amendment lowered the debt service payments through fiscal year 2002/03, extended the lease term to 2014, and increased the County's obligation under the lease agreement by \$290,000. A second amendment in 2003 extended the lower payments through fiscal year 2018.

Improvement Districts. The Board of Supervisors may create specific improvement districts upon petition of property owners proposing the district. Each district is created to finance improvements to the district that benefit the specific property. Improvement District bonds may be issued to finance the improvements, and property owners are assessed their portion of the debt over a period of years. Pima County generally issues these bonds for not more than a ten-year period.

Other Districts. There are many other special taxing or assessment districts throughout the County; however, Pima County has limited, or no, involvement with their operations or their specific debt programs. These districts include, but are not limited to: fire districts, and irrigation districts.

Public Authorities. Certain public authorities can be created by Pima County but are considered separate and autonomous from the County. Due to the autonomy of such authorities, any debt issued by the authorities is not considered debt of the County. An authority so created by Pima County is the Industrial Development Authority (IDA). The IDA has issued a wide variety and substantial number of bonds and notes for the purpose of economic development. The County considers the debt issued by the IDA no commitment debt.

Lease Purchase Contracts. As a practical matter, a lease purchase contract is a financing mechanism with all the characteristics of debt. The payment of principal and interest is subject to annual appropriation out of operating monies and cannot utilize the secondary property tax. Authorization to enter into a lease purchase contract is based on the County's own policies and procedures on entering into contracts.

Loans Payable. Several federal and state agencies are authorized to provide below-market rate loans to government jurisdictions to assist in developing infrastructure that is required to comply with federal laws, or to provide bridge loans until other funds become available. Pima County has entered into five loan agreements to date with the state Water Infrastructure Finance Authority (WIFA). The Wastewater Management Enterprise Fund has entered into these loan agreements to provide funds for the defeasance of prior sewer revenue bonds and the construction and improvement of wastewater treatment facilities.

The state of Arizona has created the Highway Extension/Expansion Loan Program (HELP), a financing mechanism established under the provisions of the National Highway System Designation Act of 1995. Pima County has received HELP funding to expedite several projects that otherwise would have been delayed until federal grant money or the ability to pay-as-you go became available. All loans are on parity with the respective County departments' bonds, as the debt service is paid from the same source.

Notes Payable. It is the current practice of Pima County to facilitate the purchase of land parcels used in the construction of capital projects by issuing notes to landowners, thereby reducing the need for third-party financing. Issued notes have been of relatively short duration, usually less than three years, and cannot exceed five years, per Arizona Revised Statute § 11-251(45).

CHAPTER 3.06

BONDING DISCLOSURE, ACCOUNTABILITY AND IMPLEMENTATION

Sections:

3.06.010 Intent.

3.06.020 Bond implementation plan.

3.06.030 Advance publication of bond implementation plan.

3.06.040 Pima County bond advisory committee: Capital planning, program and implementation review.

3.06.050 Conservation acquisition commission.

3.06.060 Monitoring and reporting on sold bonds.

3.06.070 Substantial modification of an adopted bond implementation plan.

3.06.080 Coordination with other capital planning of the county and region, and applicability to county bond projects within other jurisdictions.

3.06.090 Design, construction, and equipping of county bond projects by other jurisdictions.

3.06.10 Intent.

The board of supervisors is authorized by Arizona Revised Statutes §35-452 to call special elections for the purpose of seeking voter authorization to incur bonded indebtedness. The board of supervisors desires to provide voters with complete information on projects, along with their estimated costs, that will be constructed from proceeds of bonded indebtedness, as well as provide voters, to the maximum extent practicable, firm assurances that these projects will be constructed within the estimated costs and time tables established by the board of supervisors. Because it is not practicable to list on a ballot question all of the projects and estimated costs that would be constructed from the sale of authorized bonded indebtedness, the board of supervisors establishes this chapter setting forth requirements for presenting general obligation and revenue bond packages to the electorate for approval and for monitoring utilization of the proceeds from authorized bonds. (Ord. 1997-25 § 1 (part), 1997)

3.06.020 Bond implementation plan.

Prior to the start of early voting for a special election called by the board of supervisors pursuant to ARS §35-452, the board of supervisors shall adopt by ordinance a "bond implementation plan," which shall be adopted for each bond election and question ordered by the board of supervisors pursuant to ARS §35-452. The title of the ordinance shall contain the date of the special bond election. After adoption, the ordinance shall govern the development or construction of all listed projects, including the approximate project cost and the proposed construction schedule, unless the ordinance is amended pursuant to Section 3.06.050. The ordinance shall contain the following information:

- A. A complete list of all projects to be constructed or acquired by proceeds from the sale of authorized bonds. The project list shall identify each project by name and location and provide a short narrative project description.
 1. For capital construction projects, the following information shall also be provided for each project:

- a. A project scope of work containing a description of the facility to be constructed including the size or capacity and whether construction is for a new facility or an expansion, rehabilitation or reconstruction of an existing facility.
 - b. The purpose and specific benefits to be achieved by construction of the project.
 - c. A construction schedule that identifies by major task (i.e. planning/design/right-of-way; construction; other) and by fiscal year the projected start and completion dates.
 - d. The estimated future operating and maintenance costs, what jurisdiction or county department will be responsible for these costs, and whether ability to fund these costs should impact scheduling of the project.
2. For each land acquisition project related to open space, trails or historic/cultural preservation, the following information shall be provided:
- a. An estimate of the number of acres to be acquired and any special designation relating to the property such as recreational, open space planning, floodplain, or historic/cultural preservation.
 - b. The desirable location of the property by section, township, and range, the assessor parcel number, and existing zoning of the property.
 - c. The benefits to be achieved by the acquisition.
 - d. The estimated future management and security costs, and identification of the management agency if other than the county.
- B. The total estimated cost of each project or acquisition, total estimated costs by major task, a discussion of how estimated costs were derived, and analysis of the potential for actual costs to increase or decrease from estimated costs.
- C. The source (federal or state aid, local governments, other county revenues, private sources) of any other revenues that may be obtained for the project or revenues that are required as cost sharing from other governmental entities or private parties, including an assessment of the certainty or uncertainty that other sources will be secured and options that would be available if the other sources are not secured.
- D. A detailed strategy for managing the sale of bonds, including discussion of the factors upon which the county will base decisions on the timing, size, and terms of bond sales.
- E. For general obligation bonds, discussion of commitments to manage the sale of bonds within limits on secondary property tax rates and analysis of how approval and sale of general obligation bonds could impact actual property taxes paid for debt service.
- F. For revenue bonds, a discussion of sources of revenues that will be used to service bond debt and whether fees will be raised, and by how much, if revenue bonds are approved and sold. (Ord. 2004-16 § 1 (part), 2004; Ord. 1997-25 § 1 (part), 1997)

3.06.030 Advance publication of bond implementation plan.

A bond implementation plan adopted pursuant to this chapter shall be published at least once in a newspaper of general circulation in the county prior to the start of early voting for the special bond election. The publication shall set forth the ordinance containing the bond implementation

plan adopted by the board of supervisors. Upon adoption, the board of supervisors shall also publish the bond implementation plan on the county's web site prior to the start of early voting for the special bond election. (Ord. 2004-16 § 1 (part), 2004; Ord. 1997-25 § 1 (part), 1997)

3.06.040 Pima County bond advisory committee: Capital planning, program and implementation review.

- A. The duties and responsibilities of the Pima County bond advisory committee as adopted by the board of supervisors on July 15, 2003, are expanded to include monitoring and review of implementation of the bond implementation plan.
- B. The Pima County bond advisory committee members shall be appointed to a term of six years. Upon resignation of any member, the appointing authority shall appoint another member to begin a new six-year term.
- C. The committee will meet as often as it deems necessary but in any event no less frequently than semi-annually.
- D. Under direction of the county administrator, county staff shall prepare progress reports and otherwise brief the committee on the status of implementation of the bond implementation plan, with special attention paid to major issues impacting implementation of the bond improvement plan.
- E. The committee shall review and make recommendations to the board of supervisors on all proposed amendments to the bond implementation plan.
- F. The Committee shall review and approve the semiannual progress reports on the bond implementation plan prior to it being transmitted to the board of supervisors and published, as required by section 3.06.060. (Ord. 2004-16 § 1 (part), 2004; Ord. 1997-25 § 1 (part), 1997)

3.06.050 Conservation acquisition commission.

- A. The board of supervisors hereby establishes the conservation acquisition commission.
- B. The conservation acquisition commission shall have a total of eleven members, appointed as follows:
 - 1. Five members, one appointed by each member of the board of supervisors;
 - 2. Two members appointed by land conservation organizations active in Pima County;
 - 3. One member appointed from the Pima County natural resources, parks and recreation commission;
 - 4. One member appointed by the local board of realtors;
 - 5. One member appointed by the ranching community; and
 - 6. One member appointed by the county administrator.

- C. Appointments to the commission are for a term of eight years. Upon the resignation of any member, the appointing authority shall appoint another member to begin a new eight-year term.
- D. The duties and responsibilities of the commission are as follows:
 - 1. Oversee and monitor all open space bond acquisitions placed before the board of supervisors for consideration including, but not limited to, acquisitions funded by general obligation bonds.
 - 2. Make recommendations to the board of supervisors and the Pima County bond advisory committee for priorities in the scheduling of open space acquisitions and periodic assessment and change in priorities as necessary.
 - 3. Make recommendations to the board of supervisors and the Pima County bond advisory committee on any aspects of open space land management, including management of lands acquired for open space.
 - 4. Make recommendations to the county administrator, and the Pima County bond advisory committee on any aspect relating to internal county management of the open space acquisition process.
- E. The commission will meet as often as it deems necessary but in any event no less frequently than quarterly.
- F. Under direction of the county administrator, county staff shall prepare progress reports and otherwise brief the commission on the status of implementation of the conservation bond program component of the bond implementation plan, with special attention paid to major issues impacting implementation of the conservation bond program.
- G. The commission shall review and make recommendations to the board of supervisors on all potential amendments to conservation bond program components of the bond implementation plan.
- H. The commission shall review and approve the semiannual progress reports on the conservation bond program component of the bond implementation plan prior to it being transmitted to the Pima County bond advisory committee as required by Section 3.06.040. (Ord. 2004-16 § 1 (part), 2004; Ord. 1997-25 § 1 (part), 1997)

3.06.060 Monitoring and reporting on sold bonds.

The county administrator shall prepare semiannual reports on the progress of the bond implementation plan implementation which shall be transmitted to the board of supervisors for review. Upon transmittal to the board of supervisors on or before January 1 and July 1, semiannual progress reports shall also be posted on the county's web site. Progress reports shall be prepared and transmitted by the county administrator until a bond implementation plan is determined by the board of supervisors to have been completed. Each progress report shall contain the following information on the status of every project or program contained in the plan:

- A. The project implementation schedule status, including design, construction, acquisition, and completion.

- B. Any estimated substantial variances from the project cost and revenue sources in the adopted bond implementation plan.
- C. Any major issues that may affect implementation of the bond implementation plan.
- D. Plans and options for addressing substantial modifications in costs or revenue sources or other major issues, including the potential need for substantial modifications in the bond implementation plan as provided for in Section 3.06.070.
- E. A fiscal status report, including discussion of bond sales completed and projected; interest rates and terms of completed sales; interest rates received on deposits of bond proceeds; updated projections on conditions in municipal bond markets; current debt service schedules and updated projections of secondary property tax rates for debt service; updated projections of secondary property tax rates with projected future sales of bonds; and analysis and projection of fiscal impacts of completed and projected sales of revenue bonds. (Ord. 2004-16 § 1 (part), 2004; Ord. 1997-25 § 1 (part), 1997)

3.06.070 Substantial modification of an adopted bond implementation plan.

- A. A substantial modification in the implementation of an adopted bond implementation plan shall not be made except as provided in this section.
- B. For purposes of this section, "substantial modification" means any of the following:
 1. An increase or decrease in total actual project costs by twenty-five percent or more.
 2. An increase or decrease in actual bond costs by twenty-five percent or more.
 3. An increase or decrease in actual other revenues by twenty-five percent or more.
 4. A delay in a project construction or implementation schedule of twelve months or more.
 5. A delay in the scheduled years of sale of bonds of twenty-four months or more caused by changes in municipal bond market conditions or county financial conditions and necessary to maintain commitments to capping the secondary property tax rate for debt service.
 6. Any project that is not constructed.
 7. Any project that is added to those to be constructed.
 8. Any increase or decrease in the project scope that alters the disclosed project benefits.
 9. All changes to a bond implementation plan necessitated by only a portion of the proposed bond questions being approved at the special election.
- C. Cost estimates may vary, up or down, as a project proceeds through planning, design, procurement, contract award, and construction, or through appraisals and negotiations for conservation acquisitions. Variations in cost estimates do not constitute "substantial modifications." "Substantial modifications" relating only to cash amounts may occur pursuant to official action by the board of supervisors, in open session, that establish actual costs through awards of construction contracts, contract amendments or change orders, or approval of a contract for acquisition. Such board actions shall be accompanied by notice that the action will require a bond ordinance amendment.

- D. Any substantial modification in the implementation of an adopted bond implementation plan requires an specific amendment to the ordinance that adopted the plan. The ordinance amendment must be enacted by the board of supervisors at a public hearing for which at least fifteen days' prior notice was published in a newspaper of general circulation in the county.
1. Bond ordinance amendments shall be scheduled to coincide with transmittal of the semiannual bond progress reports as required by Section 3.06.060.
 2. Recommendations for bond ordinance amendments shall be reviewed by the Pima County bond advisory committee, as required by Section 3.06.040, and for conservation acquisitions by the conservation acquisition commission, as required by Section 3.06.050.
 3. Substantial modifications of costs, bond funding, or other funding ordinance amendments may be scheduled for the next regular transmission of the semiannual bond progress report, provided the modifications were previously approved by the board of supervisors.
 4. All other substantial modifications require amendment of the bond ordinance prior to the substantial modification. (Ord. 2004-16 § 1 (part), 2004; Ord. 1997-25 § 1 (part), 1997)

3.06.080 Coordination with other capital planning of the county and region, and applicability to county bond projects within other jurisdictions.

A bond implementation plan shall be integrated into a five year capital improvement plan to be adopted at the time the annual budget of the county is adopted. The county five-year capital improvement program shall be reported to the Metropolitan Planning Organization for all necessary coordination and integration into a regional capital plan. Any project contained within a bond implementation plan that is being implemented by a political subdivision other than the county shall conform with the requirements of this chapter. Specific program or project oversight for the purposes of conforming with this chapter shall remain with the county. (Ord. 2004-16 § 1 (part), 2004; Ord. 1997-25 § 1 (part), 1997)

3.06.090 Design, construction, and equipping of county bond projects by other jurisdictions.

- A. Pursuant to Pima County Code Section 3.06.080, bond projects authorized by the board of supervisors in a bond implementation plan for a special bond election to be designed, constructed, or equipped by another political subdivision using county general obligation bonds to fund a project in whole or part shall be funded by the county only pursuant to an intergovernmental agreement executed between Pima County and the implementing subdivision. Each such project shall be authorized and implemented with separate intergovernmental agreements. The intergovernmental agreement shall authorize the jurisdiction to design, construct, or equip the project, subject to compliance with the terms and mutual responsibilities of the parties agreed upon in the intergovernmental agreement.
- B. Unless waived by the board of supervisors as being in the best interests of the county and warranted by the circumstances of the bond funded project at issue, the intergovernmental agreement shall include, but not be limited to, the following responsibilities of the implementing subdivision:

1. That the implementing political subdivision shall operate and maintain the improvements constructed by county bond funds for a period of not less than twenty-five (25) years.
 2. That the implementing political subdivision shall not charge a fee for use of the constructed improvement that is more than a fee charged by the county for a similar purpose.
 3. That the implementing political subdivision agrees to insure the improvements constructed with county bond funds and will replace same them if they are damaged or destroyed.
 4. That the implementing political subdivision agrees to make the improvements available to all residents of Pima County without restriction or preference to jurisdiction of residence.
 5. That the implementing political subdivision agrees to comply with all provisions of Chapter 3.06 (Bonding Disclosure, Accountability, and Implementation) of the Pima County Code and will provide all reports to the county in a format and schedule agreed upon by the parties.
 6. That the county will only transfer county general obligation bond proceeds to the implementing jurisdiction upon request from the implementing jurisdiction, with full documentation.
- G. That the implementing political subdivision agrees to a provision requiring compliance with federal arbitrage regulations.
- H. That the implementing jurisdiction, by action of its governing body at a public hearing, shall notify the county of events that would require an amendment of the bond implementation plan ordinance and formally request the board of supervisors to hold a public hearing on the necessary ordinance amendment.
- I. That the intergovernmental agreement shall establish the amount of county bond funds to be allocated to a specific project, establish the stated amount as a maximum of county bond monies to be allocated to the project, and commit the implementing political subdivision to pay for any and all costs in excess of county bond funds. (Ord. 2004-16 § 1 (part), 2004; Ord. 1997-25 § 1 (part), 1997)

LONG TERM DEBT

General Obligation Bonds

Payment Source

Payments for principal and interest on general obligation bonds are made from property tax revenues of the Debt Service Fund.

Debt Service Requirements

The debt service requirements on general obligation bonds are summarized as follows:

	PRINCIPAL	INTEREST	TOTAL
2007	\$38,668,333	\$12,402,760	\$51,071,093
2008	31,338,333	12,972,238	44,310,571
2009	26,593,333	11,533,422	38,126,755
2010	26,123,333	10,362,705	36,486,038
2011	23,523,333	9,099,058	32,622,391
2012	23,858,333	8,012,792	31,871,125
2013	24,218,333	6,914,425	31,132,758
2014	22,268,333	5,806,558	28,074,891
2015	19,598,333	4,785,492	24,383,825
2016	19,603,333	3,887,706	23,491,039
2017	19,833,333	3,016,359	22,849,692
2018	16,183,333	2,125,092	18,308,425
2019	16,663,333	1,465,575	18,128,908
2020	11,503,333	814,284	12,317,617
2021	<u>6,333,338</u>	<u>316,667</u>	<u>6,650,005</u>
TOTALS	\$326,310,000	\$93,515,133	\$419,825,133

Legal Debt Margin

Under the Arizona Constitution, general obligation debt may not exceed six percent of the value of the County's taxable property as of the latest assessment. However, with voter approval, debt may be incurred up to 15 percent of the value of taxable property. Legal debt margin projected at June 30, 2007 is as follows:

	6% Limitation	15% Limitation
Secondary Net Assessed Valuation	\$6,869,955,457	\$6,869,955,457
Debt Limit	412,197,327	1,030,493,319
General Obligation Bonds Outstanding	(326,310,000)	(326,310,000)
Assets Available for Principal	<u>2,458,256</u>	<u>2,458,256</u>
Debt Applicable to Limit	(323,851,744)	(323,851,744)
Legal Debt Margin Available	<u>\$88,345,583</u>	<u>\$706,641,575</u>

Legal Debt Margin Percentage:

General Obligation Bonds Outstanding	\$ <u>326,310,000</u> = 4.75%
Secondary Net Assessed Valuation	\$ 6,869,955,457

LONG TERM DEBT

Regional Flood Control District General Obligation Bonds

Payment Source

Payments for principal and interest on general obligation bonds of the Regional Flood Control District are made from property tax revenues of the Debt Service Fund of the district.

Debt Service Requirements

The debt service requirements on general obligation bonds of the Regional Flood Control District are summarized as follows:

	PRINCIPAL	INTEREST	TOTAL
2007	\$760,000	\$91,395	\$851,395
2008	745,000	60,995	805,995
2009	<u>725,000</u>	<u>30,450</u>	<u>755,450</u>
TOTALS	\$2,230,000	\$182,840	\$2,412,840

Legal Debt Margin

Under Arizona Revised Statute § 48-3619, Regional Flood Control general obligation debt may not exceed five percent of the value of the Regional Flood Control District's taxable property as of the latest assessment. Legal debt margin projected at June 30, 2007 is as follows:

	5% Limitation
Secondary Net Assessed Valuation	\$6,113,952,541
Debt Limit	305,697,627
Flood Control GO Bonds Outstanding	<u>(2,230,000)</u>
Legal Debt Margin Available	<u><u>\$303,467,627</u></u>
Legal Debt Margin Percentage:	
Flood Control GO Bonds Outstanding	\$ <u>2,230,000</u> = 0.04%
Secondary Net Assessed Valuation	\$ 6,113,652,541

LONG TERM DEBT

Transportation Bonds

Payment Source

Payments for principal and interest on transportation bonds are made from Highway User Revenue Funds.

Debt Service Requirements

The debt service requirements on transportation bonds are summarized as follows:

	PRINCIPAL	INTEREST	TOTAL
2007	\$13,101,667	\$5,881,551	\$18,983,218
2008	13,411,667	5,919,192	19,330,859
2009	13,131,667	5,359,746	18,491,413
2010	13,601,667	4,820,544	18,422,211
2011	14,116,667	4,218,430	18,335,097
2012	14,666,667	3,590,933	18,257,600
2013	8,281,667	2,962,663	11,244,330
2014	8,561,667	2,614,729	11,176,396
2015	8,861,667	2,255,596	11,117,263
2016	9,186,667	1,884,462	11,071,129
2017	9,536,667	1,447,967	10,984,634
2018	9,896,667	1,041,858	10,938,525
2019	6,786,667	616,800	7,403,467
2020	7,026,667	354,266	7,380,933
2021	<u>1,666,662</u>	<u>83,333</u>	<u>1,749,995</u>
TOTALS	\$151,835,000	\$43,052,070	\$194,887,070

Legal Debt Margin

Arizona Revised Statute § 11-378 presently requires that in order for the County to issue bonds payable from Street and Highway Revenues, the County must have received Street and Highway Revenues in the year preceding the issuance of the additional bonds in an amount equal to at least one and one-half times the highest annual principal and interest requirements thereafter to come due on all such bonds to be outstanding following the issuance of the additional bonds, provided that if the Street and Highway Revenues received in the preceding year do not equal at least two times the highest annual principal and interest requirements, the proposed bonds must bear a rating at the time of issuance of "A" or better by at least one nationally recognized credit rating service, taking into account any credit enhancement facility in effect with respect to such bonds.

	<u>PRIOR FISCAL YEAR HURF REVENUE</u>	<u>HIGHEST FUTURE DEBT SERVICE PAYMENT</u>
Series 1998	\$33,445,603	\$6,151,333
Series 2002	\$49,398,596	\$11,904,825
Series 2003	\$47,074,605	\$14,608,613
Series 2005	\$52,587,700	\$16,767,639
Series 2007	\$56,337,324	\$19,330,859

LONG TERM DEBT

Sewer Revenue Bonds

Payment Source

Payments for principal and interest on sewer revenue bonds are made from user charges received in the Wastewater Management Enterprise Fund.

Debt Service Requirements

The debt service requirements on sewer revenue bonds are summarized as follows:

	PRINCIPAL	INTEREST	TOTAL
2007	\$7,236,667	\$3,198,045	\$10,434,712
2008	7,466,667	3,506,168	10,972,835
2009	7,691,667	3,181,410	10,873,077
2010	6,946,667	2,816,077	9,762,744
2011	7,181,667	2,504,443	9,686,110
2012	8,176,667	2,161,872	10,338,539
2013	7,576,667	1,766,969	9,343,636
2014	8,511,667	1,389,986	9,901,653
2015	9,736,667	966,721	10,703,388
2016	1,666,667	500,000	2,166,667
2017	1,666,667	416,667	2,083,334
2018	1,666,667	333,333	2,000,000
2019	1,666,667	250,000	1,916,667
2020	1,666,667	166,666	1,833,333
2021	<u>1,666,662</u>	<u>83,333</u>	<u>1,749,995</u>
TOTALS	\$80,525,000	\$23,241,690	\$103,766,690

Legal Debt Margin

There is no legal debt margin for sewer revenue bonds.

LONG TERM DEBT

Special Assessment Bonds

Payment Source

Special assessment bonds are secured by pledges of revenues from improvement districts which were established in order to finance specific construction projects which benefit a limited geographical area. While there is no legal obligation for the County to further secure the special assessment bonds of the districts, the County has made a moral commitment to take steps necessary to prevent default. Payments for principal and interest on special assessment bonds are made from assessments received in the Debt Service Fund.

Debt Service Requirements

The debt service requirements on special assessment bonds are summarized below.

	PRINCIPAL	INTEREST	TOTAL
2007	\$182,171	\$53,285	\$235,456
2008	182,171	41,444	223,615
2009	182,171	29,603	211,774
2010	182,171	17,762	199,933
2011	<u>182,171</u>	<u>5,921</u>	<u>188,092</u>
TOTALS	\$910,855	\$148,015	\$1,058,870

Legal Debt Margin

There is no legal debt margin for special assessment bonds.

LONG TERM DEBT

Loans Payable

Payment Source

Payments for principal and interest on loans payable are made from user charges received in the Wastewater Enterprise Fund.

Debt Service Requirements

The debt service requirements on loans payable are summarized as follows:

	PRINCIPAL	INTEREST	TOTAL
2007	\$5,502,957	\$2,800,044	\$8,303,001
2008	5,721,589	2,633,640	8,355,229
2009	5,955,046	2,422,506	8,377,552
2010	6,316,651	2,200,457	8,517,108
2011	7,604,514	1,948,065	9,552,579
2012	7,891,095	1,666,783	9,557,878
2013	6,936,540	1,397,141	8,333,681
2014	6,032,549	1,161,060	7,193,609
2015	6,272,401	937,312	7,209,713
2016	6,490,415	705,223	7,195,638
2017	6,747,808	464,471	7,212,279
2018	1,148,367	322,742	1,471,109
2019	1,186,378	284,101	1,470,479
2020	1,225,647	244,182	1,469,829
2021	1,266,216	202,942	1,469,158
2022	1,308,128	160,337	1,468,465
2023	1,351,427	116,322	1,467,749
2024	1,396,159	70,849	1,467,008
2025	<u>1,442,372</u>	<u>23,871</u>	<u>1,466,243</u>
TOTALS	\$81,796,259	\$19,762,048	\$101,558,307

Legal Debt Margin

There is no legal debt margin for loans payable.

LONG TERM DEBT

Transportation Highway Extension/Expansion Loan Program (HELP) Loans

Payment Source

HELP loans were established by the state of Arizona under the provisions of the National Highway System Designation Act of 1995. Pima County uses this program to seek funding to expedite projects that would otherwise be delayed until federal grant money becomes available or the County has the capability to pay-as-you go. Payments for fiscal year 2006/2007 will be funded by an operating transfer from Transportation Special Revenue Fund.

Debt Service Requirements

The debt service requirements on Transportation HELP loans payable are summarized as follows:

	PRINCIPAL	INTEREST	TOTAL
2007	\$2,024,772	\$169,469	\$2,194,241
2008	2,714,000	113,611	2,827,611
2009	<u>1,000,000</u>	<u>61,180</u>	<u>1,061,180</u>
TOTALS	\$5,738,772	\$344,260	\$6,083,032

LONG TERM DEBT

Reconciliation of Long Term Debt to Budgeted Debt Service Expenditures

Long Term Debt:	
General Obligation Bonds (GOB)	\$51,071,093
Flood Control GOB	851,395
Transportation Revenue Bonds	18,983,218
Transportation HELP Loans	2,194,241
Special Assessment Bonds	<u>235,456</u>
Total Long Term Debt	\$73,335,403
Additional budgeted Special Assessment principal and interest	56,000
Fiscal and Other Charges	<u>27,000</u>
Total Budgeted Debt Service Expenditures	\$73,418,403

LONG TERM DEBT

Stadium District Debt

Payment Source

Payments for principal and interest on Stadium District debt are made from stadium revenues, Transient Lodging Excise Tax proceeds, Recreational Vehicle Space Surcharge proceeds, and Rental Car Tax proceeds.

Debt Service Requirements

The debt service requirements on Stadium District debt are summarized as follows:

	PRINCIPAL	INTEREST	TOTAL
2007	\$1,785,000	\$1,230,035	\$3,015,035
2008	1,870,000	1,138,660	3,008,660
2009	1,965,000	1,062,435	3,027,435
2010	2,025,000	982,335	3,007,335
2011	2,125,000	878,585	3,003,585
2012	2,230,000	774,385	3,004,385
2013	2,780,000	646,860	3,426,860
2014	2,482,000	510,950	2,992,950
2015	2,605,000	399,390	3,004,390
2016	2,710,000	293,090	3,003,090
2017	2,820,000	181,080	3,001,080
2018	<u>2,935,000</u>	<u>61,635</u>	<u>2,996,635</u>
TOTALS	\$28,332,000	\$8,159,440	\$36,491,440

Note:

This table does not include \$5,600 of fiscal charges which will be paid in each fiscal year.

VALUATION OF PROPERTY FOR TAXING PURPOSES IN ARIZONA

The primary revenue source for Pima County is the property tax. Property tax is paid in accordance with the value of real and personal property. There are a number of County functions that are paid for by property taxes. The *primary tax* goes to the General Fund and is used for continuing maintenance and operation of the County. The *secondary tax* is used to pay for capital expenditures and some “budget override” amounts approved by the voters. These two levies are supported by two different property values. The *primary tax* is supported by the *limited value* and the *secondary tax* is supported by the *full cash value*. The tax is based on the *net assessed values* of the property. The *net assessed value* is set by multiplying the *full* and *limited* value of the property by an *assessment ratio* and subtracting any constitutionally defined *exemptions*.

The *full cash value*¹ of each parcel of property is set by the Assessor or the Arizona Department of Revenue in accordance with standards and procedures established by the Arizona Department of Revenue and the legislature. The value of railroads, mines, utilities, and some other types of personal property are valued by the Arizona Department of Revenue. The “market standard” is used by Arizona for the establishment of the *full cash value* of a property. In other words, the value of a property must come close to the selling price of a similar property which has been sold in an arms length transaction without stress or duress on the part of the seller or buyer.

The *limited value*² of a property is determined by one of two formulas. The *limited value* will change by the formula that produces the largest increase in value of the two formulas. One formula increases the value 10 percent from the previous year’s *limited value*, while the other formula produces a change in the value that is 25 percent of the difference between the previous year’s *limited value* and the current year’s *full cash value*. The *limited value* can never be greater than the *full cash value*.

The *assessment ratios*³ are defined by the Arizona Legislature. They are assigned to a property in accordance with its use. There are nine basic classes of property all having different *assessment ratios*. The same *assessment ratio* is applied to both the *full cash value* and the *limited value* to determine the *assessed value* for the *secondary*⁴ and *primary*⁵ taxes.

The Arizona Constitution stipulates that certain types of property will not be fully taxed or will not be taxed at all. Properties owned by government or nonprofit organizations are not taxed, as long as they are not used in commerce. Widows, widowers, disabled individuals, and certain veterans are given partial exemptions from property tax. The amount of the exemption is determined by the *full cash value* of the property and the person’s income.

All property in the County has a *full cash assessed value* and a *limited assessed value*. The Assessor identifies the amount that is exempt. The largest amount of exempt properties in the County is vacant lands which are owned by state and federal agencies. Although these agencies do not pay property taxes, some agencies do pay “in lieu” taxes to compensate those jurisdictions in which the property is located for minimal services provided to the property. The *secondary value* of the exemption is subtracted from the total *secondary assessed value* to derive the *net secondary assessed value*. The same is done to the *primary value* to derive the *net primary assessed value*.

For the current year, the County’s *secondary net assessed value* increased 13.5 percent over the previous year. This increase was due to both new construction and value increases which came with an expanding economy. The *primary net assessed value* increased 10.6 percent.

Endnotes

¹ See Full Cash Values By Class: 2002-2006.

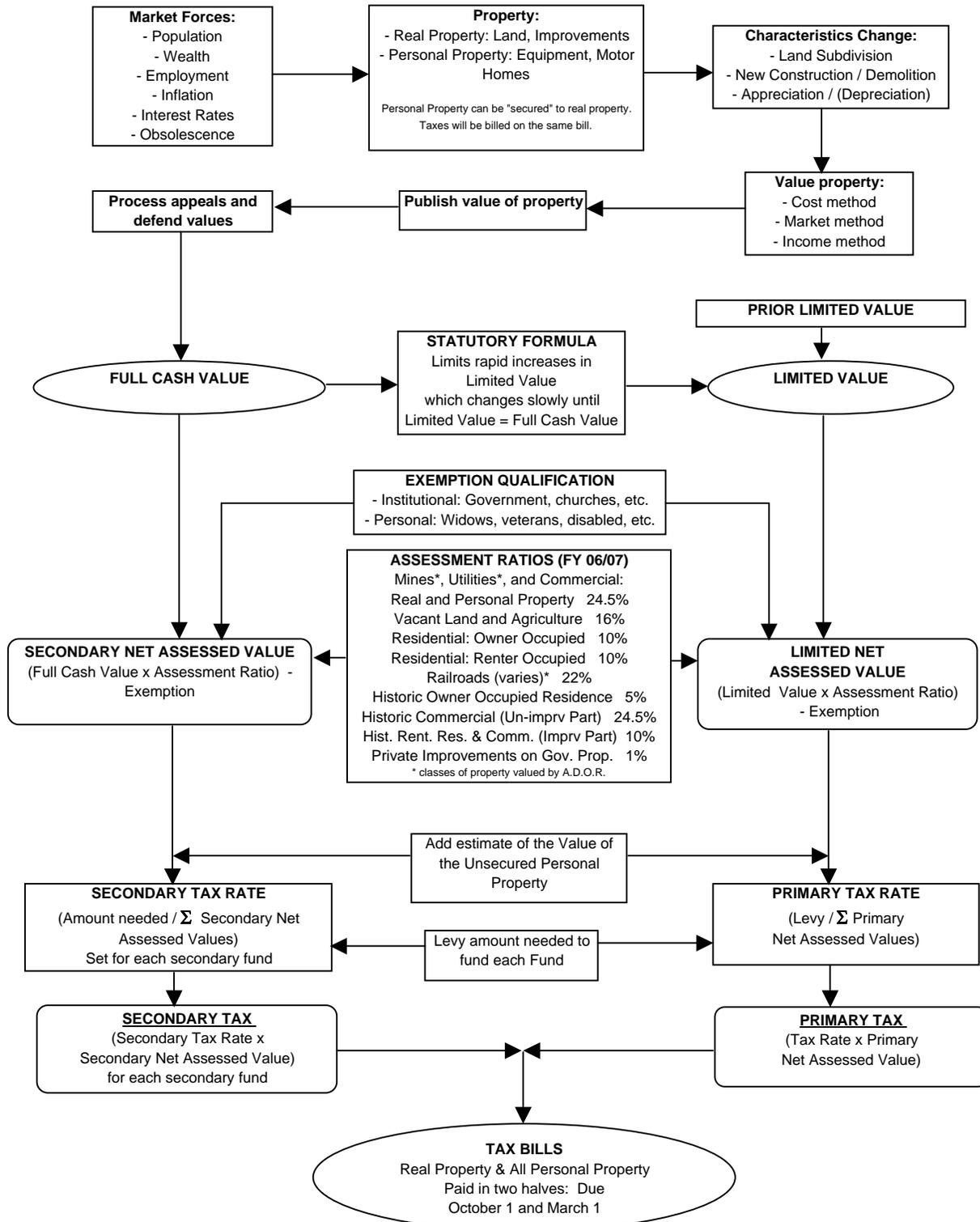
² See Limited Values By Class: 2002-2006.

³ See Assessment Ratios By Class: 2002-2006.

⁴ See Secondary Net Assessed Values By Class: 2002-2006.

⁵ See Primary Net Assessed Values By Class: 2002-2006.

COMPONENTS OF ARIZONA'S PROPERTY TAX SYSTEM



FULL CASH VALUE BY CLASS FOR TAX YEARS 2002-2006

Legislative Class	2002		2003		2004		2005		2006	
	Amount	% of Total								
I. 1-11,13 Commercial, Mines & Utilities	5,623,963,083	13.68%	5,681,096,641	12.79%	5,831,044,716	12.03%	5,994,693,213	11.45%	6,950,042,918	11.60%
I. 11-12. Commercial & Telecommunications P.P.	1,556,456,040	3.79%	1,695,593,877	3.82%	1,718,637,105	3.55%	1,764,108,957	3.37%	1,761,090,145	2.94%
<u>All Class I Property</u>	<u>7,180,419,123</u>	<u>17.47%</u>	<u>7,376,690,518</u>	<u>16.61%</u>	<u>7,549,681,821</u>	<u>15.57%</u>	<u>7,758,802,170</u>	<u>14.83%</u>	<u>8,711,133,063</u>	<u>14.55%</u>
II. R. Vacant Land / Agricultural R.E.	5,894,762,368	14.34%	6,303,294,736	14.19%	6,565,270,413	13.54%	6,745,162,627	12.89%	7,981,879,531	13.33%
II. P. Vacant Land / Agricultural P.P.	23,950,376	0.06%	27,368,011	0.06%	25,069,720	0.05%	27,031,454	0.05%	37,142,434	0.06%
<u>All Class II Property</u>	<u>5,918,712,744</u>	<u>14.40%</u>	<u>6,330,662,747</u>	<u>14.25%</u>	<u>6,590,340,133</u>	<u>13.60%</u>	<u>6,772,194,081</u>	<u>12.94%</u>	<u>8,019,021,965</u>	<u>13.39%</u>
<u>III. Residential, Owner Occupied</u>	<u>23,664,684,767</u>	<u>57.56%</u>	<u>25,875,787,513</u>	<u>58.25%</u>	<u>29,140,441,666</u>	<u>60.11%</u>	<u>31,774,365,704</u>	<u>60.71%</u>	<u>36,150,457,238</u>	<u>60.36%</u>
<u>IV. Residential, Renter Occupied</u>	<u>4,090,912,238</u>	<u>9.95%</u>	<u>4,527,003,155</u>	<u>10.19%</u>	<u>4,859,819,622</u>	<u>10.03%</u>	<u>5,592,245,273</u>	<u>10.69%</u>	<u>6,531,605,677</u>	<u>10.91%</u>
<u>V. Railroads</u>	<u>41,805,045</u>	<u>0.10%</u>	<u>47,824,412</u>	<u>0.11%</u>	<u>44,043,338</u>	<u>0.09%</u>	<u>48,322,833</u>	<u>0.09%</u>	<u>47,272,238</u>	<u>0.08%</u>
<u>VI. Historic Owner Occupied Residential</u>	<u>211,046,489</u>	<u>0.51%</u>	<u>261,812,512</u>	<u>0.59%</u>	<u>280,010,199</u>	<u>0.58%</u>	<u>383,791,820</u>	<u>0.73%</u>	<u>425,092,608</u>	<u>0.71%</u>
<u>VII. Historic Commercial</u>	<u>640,494</u>	<u>0.00%</u>	<u>1,322,486</u>	<u>0.00%</u>	<u>1,482,314</u>	<u>0.00%</u>	<u>3,624,325</u>	<u>0.01%</u>	<u>3,553,067</u>	<u>0.01%</u>
<u>VIII. Historic Rental Residential</u>	<u>1,776,305</u>	<u>0.00%</u>	<u>2,061,613</u>	<u>0.00%</u>	<u>1,885,735</u>	<u>0.00%</u>	<u>1,764,736</u>	<u>0.00%</u>	<u>2,093,141</u>	<u>0.00%</u>
<u>IX. Possessory Interests</u>	n/a	n/a	n/a	n/a	<u>6,832,222</u>	<u>0.01%</u>	n/a	n/a	n/a	n/a
All Property	41,109,997,205		44,423,164,956		48,474,537,050		52,335,110,942		59,890,228,997	
Percent Change From Previous Year	7.63%		8.06%		9.12%		7.96%		14.44%	

Sources: Pima County Clerk of the Board of Supervisors' "Abstract by Legislative Class," for all years.

LIMITED VALUES BY CLASS FOR TAX YEARS 2002-2006

Legislative Class	2002		2003		2004		2005		2006	
	Amount	% of Total								
I. 8-11, 13. Commercial, Mines & Utilities R. P.	5,392,118,336	13.51%	5,410,281,490	12.60%	5,661,172,864	12.11%	5,854,154,644	11.56%	6,497,342,049	11.51%
I. 11-12. Commercial & Telecommunications P.P.	1,554,987,632	3.90%	1,693,654,077	3.95%	1,728,331,100	3.70%	1,763,660,346	3.48%	1,760,303,077	3.12%
<u>All Class I Property</u>	<u>6,947,105,968</u>	<u>17.41%</u>	<u>7,103,935,567</u>	<u>16.55%</u>	<u>7,389,503,964</u>	<u>15.81%</u>	<u>7,617,814,990</u>	<u>15.05%</u>	<u>8,257,645,126</u>	<u>14.63%</u>
II. R. Vacant Land / Agricultural R.E.	5,412,289,168	13.56%	5,746,624,285	13.39%	6,014,295,914	12.86%	6,156,354,847	12.16%	6,704,647,742	11.88%
II. P. Vacant Land / Agricultural P.P.	24,130,738	0.06%	27,536,277	0.06%	25,276,104	0.05%	27,016,510	0.05%	37,119,347	0.07%
<u>All Class II Property</u>	<u>5,436,419,906</u>	<u>13.62%</u>	<u>5,774,160,562</u>	<u>13.45%</u>	<u>6,039,572,018</u>	<u>12.92%</u>	<u>6,183,371,357</u>	<u>12.21%</u>	<u>6,741,767,089</u>	<u>11.95%</u>
<u>III. Residential, Owner Occupied</u>	<u>23,353,931,152</u>	<u>58.52%</u>	<u>25,499,721,235</u>	<u>59.40%</u>	<u>28,413,619,617</u>	<u>60.77%</u>	<u>31,190,803,007</u>	<u>61.60%</u>	<u>34,974,190,615</u>	<u>61.97%</u>
<u>IV. Residential, Renter Occupied</u>	<u>3,928,648,401</u>	<u>9.84%</u>	<u>4,258,343,717</u>	<u>9.92%</u>	<u>4,602,322,299</u>	<u>9.84%</u>	<u>5,227,374,538</u>	<u>10.32%</u>	<u>6,023,851,910</u>	<u>10.67%</u>
<u>V. Railroads</u>	<u>40,051,613</u>	<u>0.10%</u>	<u>44,662,755</u>	<u>0.10%</u>	<u>38,620,427</u>	<u>0.08%</u>	<u>44,836,516</u>	<u>0.09%</u>	<u>45,063,416</u>	<u>0.08%</u>
<u>VI. Historic Owner Occupied Residential</u>	<u>200,635,036</u>	<u>0.50%</u>	<u>244,141,200</u>	<u>0.57%</u>	<u>260,703,135</u>	<u>0.56%</u>	<u>362,391,142</u>	<u>0.72%</u>	<u>390,389,319</u>	<u>0.69%</u>
<u>VII. Historic Commercial</u>	<u>443,773</u>	<u>0.00%</u>	<u>911,027</u>	<u>0.00%</u>	<u>1,090,101</u>	<u>0.00%</u>	<u>3,123,821</u>	<u>0.01%</u>	<u>3,118,137</u>	<u>0.01%</u>
<u>VIII. Historic Rental Residential</u>	<u>1,555,227</u>	<u>0.00%</u>	<u>1,860,881</u>	<u>0.00%</u>	<u>1,723,628</u>	<u>0.00%</u>	<u>1,551,843</u>	<u>0.00%</u>	<u>1,764,740</u>	<u>0.00%</u>
IX. Possessory Interests	n/a	n/a	n/a	n/a	<u>6,853,705</u>	<u>0.01%</u>	n/a	n/a	n/a	n/a
All Property	\$39,908,791,076		\$42,927,736,944		\$46,754,008,894		\$50,631,267,214		\$56,437,790,352	
Percent Change From Previous Year	7.11%		7.56%		8.91%		8.29%		11.47%	

Sources: Pima County Clerk of the Board of Supervisors' "Abstract by Legislative Class," for all years.

ASSESSMENT RATIOS BY CLASS FOR TAX YEARS 2002-2006

Legislative Class	2002	2003	2004	2005	2006
I. 1-13 Commercial, Mines & Utilities R.P. & P.P.	25.00%	25.00%	25.00%	25.00%	24.50%
II. Vacant Land/Agricultural R.P & P.P.	16.00%	16.00%	16.00%	16.00%	16.00%
III. Residential, Owner Occupied	10.00%	10.00%	10.00%	10.00%	10.00%
IV. Residential, Renter Occupied	10.00%	10.00%	10.00%	10.00%	10.00%
V. Railroads	20.00%	20.00%	21.00%	21.00%	22.00%
VI. Historic Owner Occupied Residential (Note 1)	5.00%	5.00%	5.00%	5.00%	5.00%
VII. Historic Commercial (Note 2)	1.00%	1.00%	1.00%	1.00%	1.00%
VIII. Historic Rental Residential	1.00%	1.00%	1.00%	1.00%	1.00%
IX. Possessory Interests	1.00%	1.00%	1.00%	1.00%	1.00%
Weighted Average Assessment Ratio of Secondary	13.33%	13.31%	13.10%	12.94%	12.85%
Weighted Average Assessment Ratio of Primary	13.27%	13.24%	13.09%	12.93%	12.78%

Note 1. Legislative Class VI also includes property in foreign trade zones, military reuse zones, enterprise zones, and property used in the manufacture of environmental technology and in environment remediation.

Note 2. The 1 percent assessment ratio applies to the value of recent renovations and improvements and applies for 10 years after the improvements are made. The remainder of the value is at the rate for the class as determined by the use of the property.

SECONDARY NET ASSESSED VALUE BY CLASS FOR TAX YEARS 2002-2006

Legislative Class	2002		2003		2004		2005		2006	
	Amount	% of Total								
I. 8-11, 13. Commercial, Mines & Utilities R. P.	1,399,865,067	28.95%	1,418,748,334	27.17%	1,453,945,172	25.87%	1,495,463,905	24.71%	1,702,480,070	24.78%
I. 11-12. Commercial & Telecommunications P.P.	336,870,974	6.97%	414,095,241	7.93%	413,203,951	7.35%	422,402,374	6.98%	409,755,652	5.96%
<u>All Class I Property</u>	<u>1,736,736,041</u>	<u>35.92%</u>	<u>1,832,843,575</u>	<u>35.10%</u>	<u>1,867,149,123</u>	<u>33.22%</u>	<u>1,917,866,279</u>	<u>31.69%</u>	<u>2,112,235,722</u>	<u>30.74%</u>
II. R. Vacant Land / Agricultural R.E.	320,566,878	6.63%	341,819,546	6.55%	363,250,951	6.46%	387,348,663	6.40%	473,541,124	6.89%
II. P. Vacant Land / Agricultural P.P.	2,758,597	0.06%	4,016,095	0.08%	3,400,515	0.06%	3,616,738	0.06%	5,175,675	0.08%
<u>All Class II Property</u>	<u>323,325,475</u>	<u>6.69%</u>	<u>345,835,641</u>	<u>6.63%</u>	<u>366,651,466</u>	<u>6.52%</u>	<u>390,965,401</u>	<u>6.46%</u>	<u>478,716,799</u>	<u>6.97%</u>
<u>III. Residential, Owner Occupied</u>	<u>2,347,473,853</u>	<u>48.55%</u>	<u>2,567,153,305</u>	<u>49.17%</u>	<u>2,877,594,368</u>	<u>51.20%</u>	<u>3,154,764,574</u>	<u>52.14%</u>	<u>3,592,188,566</u>	<u>52.29%</u>
<u>IV. Residential, Renter Occupied</u>	<u>408,735,261</u>	<u>8.45%</u>	<u>452,292,430</u>	<u>8.66%</u>	<u>484,955,731</u>	<u>8.63%</u>	<u>555,380,099</u>	<u>9.18%</u>	<u>652,713,510</u>	<u>9.50%</u>
<u>V. Railroads</u>	<u>8,423,458</u>	<u>0.18%</u>	<u>9,564,876</u>	<u>0.18%</u>	<u>9,249,102</u>	<u>0.16%</u>	<u>10,147,793</u>	<u>0.18%</u>	<u>10,399,898</u>	<u>0.15%</u>
<u>VI. Historic Owner Occupied Residential</u>	<u>10,529,637</u>	<u>0.22%</u>	<u>13,044,386</u>	<u>0.25%</u>	<u>13,929,007</u>	<u>0.25%</u>	<u>21,284,455</u>	<u>0.35%</u>	<u>23,153,379</u>	<u>0.34%</u>
<u>VII. Historic Commercial</u>	<u>160,123</u>	<u>0.00%</u>	<u>330,622</u>	<u>0.01%</u>	<u>370,579</u>	<u>0.01%</u>	<u>375,773</u>	<u>0.01%</u>	<u>338,267</u>	<u>0.00%</u>
<u>VIII. Historic Rental Residential</u>	<u>177,371</u>	<u>0.00%</u>	<u>206,162</u>	<u>0.00%</u>	<u>188,575</u>	<u>0.00%</u>	<u>165,666</u>	<u>0.00%</u>	<u>209,316</u>	<u>0.00%</u>
<u>IX. Possessory Interests</u>	n/a	n/a	n/a	n/a	<u>68,323</u>	<u>0.00%</u>	n/a	n/a	n/a	n/a
	\$4,835,561,219		\$5,221,270,997		\$5,620,156,274		\$6,050,950,040		\$6,869,955,457	
Percent Change From Previous Year	7.66%		7.98%		7.64%		7.67%		13.54%	

Sources: Pima County Clerk of the Board of Supervisors' "Abstract by Legislative Class," for all years.

PRIMARY NET ASSESSED VALUE FOR TAX YEARS 2002-2006

Legislative Class	2002		2003		2004		2005		2006	
	Amount	% of Total								
I. 8-11, 13. Commercial, Mines & Utilities R. P.	1,342,144,858	28.74%	1,351,067,500	26.90%	1,411,647,857	26.08%	1,460,588,573	24.97%	1,591,573,968	24.61%
I. 11-12. Commercial & Telecommunications P.P.	336,503,870	7.21%	413,589,302	8.23%	411,943,870	7.61%	422,290,221	7.22%	409,562,820	6.33%
<u>All Class I Property</u>	<u>1,678,648,728</u>	<u>35.95%</u>	<u>1,764,656,802</u>	<u>35.14%</u>	<u>1,823,591,727</u>	<u>33.69%</u>	<u>1,882,878,794</u>	<u>32.19%</u>	<u>2,001,136,788</u>	<u>30.94%</u>
II. R. Vacant Land / Agricultural R.E.	260,482,054	5.58%	277,199,827	5.52%	298,890,167	5.52%	319,532,991	5.46%	354,488,545	5.48%
II. P. Vacant Land / Agricultural P.P.	2,788,200	0.06%	4,043,019	0.08%	3,432,956	0.06%	3,614,344	0.06%	5,173,230	0.08%
<u>All Class II Property</u>	<u>263,270,254</u>	<u>5.64%</u>	<u>281,242,846</u>	<u>5.60%</u>	<u>302,323,123</u>	<u>5.59%</u>	<u>323,147,335</u>	<u>5.52%</u>	<u>359,661,775</u>	<u>5.56%</u>
III. Residential, Owner Occupied	2,316,475,976	49.61%	2,529,622,089	50.37%	2,805,801,628	51.84%	3,096,602,265	52.94%	3,474,658,680	53.73%
IV. Residential, Renter Occupied	392,592,468	8.41%	425,444,257	8.47%	459,238,565	8.48%	519,000,732	8.87%	601,941,408	9.31%
V. Railroads	8,072,773	0.17%	8,932,551	0.18%	8,110,288	0.15%	9,415,670	0.16%	9,913,949	0.15%
VI. Historic Owner Occupied Residential	10,009,278	0.21%	12,161,790	0.24%	12,971,322	0.24%	18,057,463	0.31%	19,440,158	0.30%
VII. Historic Commercial	110,946	0.00%	227,790	0.00%	272,526	0.01%	299,793	0.01%	272,282	0.00%
VIII. Historic Rental Residential	155,261	0.00%	186,089	0.00%	172,365	0.00%	146,766	0.00%	176,476	0.00%
IX. Possessory Interests	n/a	n/a	n/a	n/a	68,536	0.00%	n/a	n/a	n/a	n/a
All Property	\$4,669,335,684		\$5,022,474,214		\$5,412,550,080		\$5,849,548,818		\$6,467,201,516	
Percent Change From Previous Year	7.06%		7.56%		7.77%		8.07%		10.56%	

Sources: Pima County Clerk of the Board of Supervisors' "Abstract by Legislative Class," for all years.

PROPERTY TAX LEVIES AND COLLECTIONS - 10 YEAR HISTORY⁽¹⁾

(in thousands)

Fiscal Year	Original Real Property Tax Levy	Tax Roll Corrections	Adjusted Levy	Collected through June 30th End of Tax Fiscal Year ⁽²⁾		Collected through June 30, 2005 ⁽²⁾	
				Amount	Percent of Original Levy	Amount	Percent of Adjusted Levy
1995-96	147,786	-594	147,192	140,805	95.3%	146,632	99.6%
1996-97	152,009	-1,066	150,943	145,204	95.5%	150,543	99.7%
1997-98	168,688	-748	167,940	160,593	95.2%	167,225	99.6%
1998-99	180,550	-1,553	178,997	172,330	95.4%	179,489	100.3%
1999-00	201,925	-1,167	200,758	192,409	95.3%	200,970	100.1%
2000-01	214,642	-754	213,888	204,424	95.2%	213,546	99.8%
2001-02	228,477	-742	227,735	218,192	95.5%	227,148	99.7%
2002-03	241,416	-792	240,624	231,619	95.9%	240,427	99.9%
2003-04	260,570	-793	259,777	250,929	96.3%	259,690	100.0%
2004-05	281,172	-118	281,054	271,841	96.7%	271,841	96.7%

Source: Pima County Comprehensive Annual Financial Report, June 30, 2005.

⁽¹⁾ Unsecured personal property taxes are not included in this schedule, because the dates of the monthly property tax rolls vary each year. On average, 93 percent of the unsecured property taxes are collected within 90 days after the due date.

⁽²⁾ Amounts collected are on a cash basis rather than the modified accrual basis used in the financial statements.

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS - 10 YEAR HISTORY⁽¹⁾
(Per \$100 Net Assessed Value)

Fiscal Year	Pima County	Pima Flood Control District⁽²⁾	County Free Library	State of Arizona	Education Assistance	Junior College District	City of Tucson	City of South Tucson	Central AZ Water Conservation District⁽³⁾
1997/98	4.6388	0.3296	0.2224	0.0000	0.5300	1.1836	0.9916	0.2937	0.1400
1998/99	4.7017	0.3246	0.2224	0.0000	0.5300	1.1922	0.9601	0.2937	0.1400
1999/00	5.0581	0.3046	0.2024	0.0000	0.5217	1.3696	1.0238	0.2937	0.1400
2000/01	5.0565	0.3046	0.2024	0.0000	0.5123	1.5574	1.1270	0.2918	0.1300
2001/02	5.0158	0.3546	0.2124	0.0000	0.4974	1.5470	1.1202	0.2828	0.1300
2002/03	4.9328	0.3546	0.2124	0.0000	0.4889	1.5333	1.1202	0.2706	0.1300
2003/04	4.9311	0.3546	0.2124	0.0000	0.4717	1.4884	1.1569	0.2513	0.1200
2004/05	4.9297	0.3546	0.2124	0.0000	0.4560	1.3428	1.1847	0.2383	0.1200
2005/06	4.8290	0.3746	0.2575	0.0000	0.4358	1.3114	1.2364	0.2383	0.1200
2006/07	4.5985	0.3746	0.3675	0.0000	0.0000	1.2515	1.2257	0.2383	0.1200

⁽¹⁾ Some rates apply to limited areas or base measures.

⁽²⁾ The Flood Control District Tax Levy applies only to real property.

⁽³⁾ Under the Central Arizona Water Conservation District is a Ground Water Replenishment District with a per Acre Foot Water Fee of \$177.00 in fiscal year 1998/99, \$178.00 in 1999/00, \$187.00 in 2000/01, \$188.00 in 2001/02, \$198.00 in 2002/03, \$199.00 in 2003/04, \$208.00 in 2004/05, \$226.00 in 2005/06, and \$251.00 in 2006/07.

**PIMA COUNTY POPULATION
CITIES & TOWNS AND
UNINCORPORATED AREAS: 1991 - 2005¹**

Year	Incorporated Towns & Cities		Unincorporated Pima County		Total Pima County	
	Population	Annual % Change	Population	Annual % Change	Population	Annual % Change
1991	425,325	2.10%	248,750	0.88%	674,075	1.64%
1992	434,473	2.15%	251,953	1.29%	686,426	1.83%
1993	443,386	2.05%	258,929	2.77%	702,315	2.31%
1994	456,369	2.93%	266,830	3.05%	723,199	2.97%
1995	474,221	3.91%	269,783	1.11%	744,004	2.88%
1996	484,736	2.22%	282,408	4.68%	767,144	3.11%
1997	496,388	2.40%	288,396	2.12%	784,784	2.30%
1998	512,372	3.22%	290,129	0.60%	802,501	2.26%
1999	523,879	2.25%	300,973	3.74%	824,852	2.79%
2000	541,992	3.46%	306,393	1.80%	848,385	2.85%
2001	556,695	2.71%	313,915	2.46%	870,610	2.62%
2002	569,880	2.37%	320,665	2.15%	890,545	2.29%
2003	585,660	2.77%	325,500	1.51%	911,160	2.31%
2004	599,095	2.29%	332,740	2.22%	931,835	2.27%
2005	615,515	2.74%	342,120	2.82%	957,635	2.77%

¹ Source: Arizona Department of Economic Security, *Population Estimates for Arizona's Counties, Incorporated Places and Balance of County*, February 23, 2006, and Pima Association of Governments, *Draft Population Estimates & Projections*, March 15, 2004.

Note: Population numbers are as of July 1 of the indicated year.

**POPULATION PROJECTIONS & ESTIMATES
PIMA COUNTY COMPARED WITH
ARIZONA, MARICOPA COUNTY AND OTHER COUNTIES
FOR YEARS 2000 to 2005, 2010, 2020, 2030, 2040 & 2050**

Year	Arizona	Pima County		Maricopa County		Other Counties	
	Population	Population	% of State	Population	% of State	Population	% of State
2000	5,130,632	843,746	16.45%	3,072,149	59.88%	1,214,737	23.68%
2001	5,319,785	870,610	16.37%	3,192,125	60.00%	1,257,050	23.63%
2002	5,470,720	890,545	16.28%	3,296,250	60.25%	1,283,925	23.47%
2003	5,642,725	911,160	16.15%	3,406,170	60.36%	1,325,395	23.49%
2004	5,845,250	931,835	15.94%	3,537,630	60.52%	1,375,785	23.54%
2005	6,044,985	957,635	15.84%	3,648,545	60.36%	1,438,805	23.80%
2010	6,999,810	1,070,723	15.30%	4,217,427	60.25%	1,711,660	24.45%
2020	8,779,567	1,271,912	14.49%	5,276,074	60.09%	2,231,581	25.42%
2030	10,347,543	1,442,420	13.94%	6,207,980	59.99%	2,697,143	26.07%
2040	11,693,553	1,585,983	13.56%	7,009,664	59.94%	3,097,906	26.49%
2050	12,830,829	1,709,026	13.32%	7,661,423	59.71%	3,460,380	26.97%

Source for year April 1, 2000, census population: *Tables DP-1. Profile of General Demographic Characteristics: 2000*, for Arizona, Maricopa, and Pima Counties, U. S. Census Bureau.

Source for July 1, 2001, to July 1, 2005, population estimates: *Arizona Demographics, DES Official Population Estimates*, Arizona Department of Economic Security, Research Administration, Population Statistics Unit.

Source for July 1, 2010, to July 1, 2050, population projections: *Arizona Population Projections 2006-2055*, Arizona Department of Economic Statistics, Research Administration, Population Statistics Unit, March 31, 2006.

**PIMA COUNTY
POPULATION & EMPLOYMENT: 10-YEAR HISTORY**

Year	Population as of July 1	Total Employment	Unemployment Rate	Natural Resources & Mining	Construction	Manufacturing	Private Service Providers	Government Services
1996	767,144	358,600	3.8%	2,300	20,400	27,200	188,000	69,400
1997	784,784	350,800	3.3%	2,200	20,600	27,600	193,700	71,300
1998	802,501	358,800	2.7%	2,100	20,600	28,400	201,500	71,700
1999	824,852	372,600	3.1%	1,900	22,100	30,300	209,000	73,100
2000	848,385	373,700	3.7%	1,800	22,900	32,900	216,100	76,300
2001	870,610	395,500	4.3%	1,800	22,700	33,000	213,100	76,800
2002	890,545	397,600	5.6%	1,500	22,500	30,500	213,400	77,900
2003	911,160	403,200	5.3%	1,200	22,900	28,700	216,800	78,700
2004	931,835	416,800	4.6%	1,300	24,000	28,400	226,400	79,900
2005	957,635	415,500	4.6%	1,400	25,700	28,200	233,100	77,400

Sources: Employment and unemployment rate information are from the Arizona Department of Economic Security. Employment data from 1996 through 2000 are benchmarked to first quarter of 2002, data for 2001 through 2003 are benchmarked to 2004 Q1, and data for 2004 and 2005 are benchmarked to 2005 Q1. Unemployment rates before 2000 were revised during February 2004.

Population information is from the Arizona Department of Economic Security, *Population Estimates for Arizona's Counties, Incorporated Places and Balance of County*, February 23, 2006, and Pima Association of Governments, *Draft Population Estimates & Projections*, March 15, 2004.

**PIMA COUNTY GOVERNMENT
ADDRESSES & TELEPHONE NUMBERS**

NOTE: Area Code is 520 for all areas. City, State & ZIP Code is Tucson, AZ 85701 unless otherwise noted.

County Operator			740-8011
Telecommunications Device for the Hearing Impaired			740-8093
Superior Court Building		110 W. Congress Street	
Old Courthouse		115 N. Church Avenue	
Administration Building		130 W. Congress Street	
Health & Welfare Building		150 W. Congress Street	
Legal Services Building		32 N. Stone Avenue	
Public Works Building		201 N. Stone Avenue	

County Administration

Supervisor District 1	Ann Day	130 W. Congress St, 11 th Fl	740-2738
Supervisor District 2	Ramón Valadez	130 W. Congress St, 11 th Fl	740-8126
Supervisor District 3	Sharon Bronson	130 W. Congress St, 11 th Fl	740-8051
Supervisor District 4	Raymond Carroll	130 W. Congress St, 11 th Fl	740-8094
Supervisor District 5	Richard Elías	130 W. Congress St, 11 th Fl	740-8126
Assessor	Bill Staples	115 N. Church Ave, 3 rd Fl	740-8172
Clerk of the Board	Lori Godoshian	130 W. Congress St, 5 th Fl	740-8449
County Administrator	C. H. Huckelberry	130 W. Congress St, 10 th Fl	740-8751
Elections	Brad Nelson	130 W. Congress St, 8 th Fl	740-4260
Finance & Risk Management	Tom Burke	130 W. Congress St, 10 th Fl	740-3030
Forensic Science Center	Dr. Bruce Parks	2825 E. District St Tucson, AZ 85714-2081	243-8600
Human Resources	Gwyn Hatcher	150 W. Congress St, 4 th Fl	740-8672
Information Technology	Bill Glasner	150 W. Congress St, 5 th Fl	740-8308
Procurement	George Widugiris	130 W. Congress St, 3 rd Fl	740-8161
Recorder	F. Ann Rodriguez	115 N. Church Ave, 1 st Fl	740-4350
Treasurer	Elizabeth Ford	115 N. Church Ave, 1 st Fl	740-8775

Community & Economic Development

Community & Economic Development Admin	Hank Atha	130 W. Congress St, 10 th Fl	740-3992
Community Development & Neighborhood Conservation	Margaret Kish	2797 E. Ajo Way Tucson, AZ 85713	243-6745
Community Resources	Kate O’Rielly	2500 E. Ajo Way Tucson, AZ 85713	434-1000
Community Services, Employment & Training	Art Eckstrom	2797 E. Ajo Way Tucson, AZ 85713	243-6741
Economic Development	Tom Moulton	120 N. Stone Ave, Ste 200	243-1900
County Free Library	Nancy Ledebor	101 N. Stone Ave, 4 th Fl	791-4391
School Superintendent	Linda Arzoumanian	130 W. Congress St, 4 th Fl	740-8451
Stadium District	Kate O’Rielly	2500 E. Ajo Way Tucson, AZ 85713	434-1000

**PIMA COUNTY GOVERNMENT
ADDRESSES & TELEPHONE NUMBERS**

Justice & Law Enforcement

Clerk of the Superior Court	Patricia A. Noland	110 W. Congress St, 1 st Fl	740-3201
Constables	Vince Roberts, Admin Constable	32 N. Stone Ave, 7 th Fl	740-5442
County Attorney	Barbara LaWall	32 N. Stone Ave, 14 th Fl	740-5600
Indigent Defense	Isabel Garcia, Legal Defender	32 N. Stone Ave, 7 th Fl	740-5775
Indigent Defense	Robert Hooker, Public Defender	32 N. Stone Ave, 4 th Fl	740-5300
Justice Court Ajo	Judge Maria Alvillar	111 La Mina Avenue, Ajo, AZ 85321	387-7684
Justice Court Green Valley	Judge Gail Wight	601 N. La Cañada Drive, Green Valley, AZ 85614	648-0658
Justice Courts Tucson	Presiding Judge Jim Angiulo	115 N. Church Ave	740-3505
Juvenile Court	Presiding Judge Patricia Escher	2225 E. Ajo Way, Tucson, AZ 85713	740-2054
Office of Court Appointed Counsel	Patricia Alvarez Hurley	130 W. Congress St, 10th Fl	740-8311
Public Fiduciary	Anita Royal	10 E. Pennington, 2 nd Fl	740-5471
Sheriff	Clarence W. Dupnik	1750 E. Benson Highway, Tucson, AZ 85714	741-4700
Superior Court	Presiding Judge John S. Leonardo	110 W. Congress St, 4 th Fl	740-3155

Medical Services

Institutional Health	Felipe Lundin	150 W. Congress St, 2 nd Fl	740-3748
Pima Health System & Services	Karen Fields	5055 E. Broadway, A-200 Tucson, AZ 85711	546-4486
Public Health	Dennis W. Douglas	150 W. Congress St, 2 nd Fl	740-8267

Public Works

Capital Projects	Don Spiece	100 N. Stone Ave, Ste 300	205-8332
Development Services	Carmine DeBonis	201 N. Stone Ave, 1 st Fl	740-6506
Environmental Quality	Ursula Kramer	150 W. Congress St, 1 st Fl	740-3352
Facilities Management	Mike Tuinstra	150 W. Congress St, 5 th Fl	740-3090
Fleet Services	Frank Samaniego	1301 S. Mission Rd Tucson, AZ 85713	740-2670
Graphic Services	Susan Beebe	17 E. Pennington, 1 st Fl	205-8303
Natural Resources, Parks & Recreation	Rafael Payan	3500 W. River Rd Tucson, AZ 85741	877-6000
Public Works Admin	John Bernal	130 W. Congress St, 10 th Fl	740-8480
Regional Flood Control District	Suzanne Shields	97 E Congress, 3 rd Fl	243-1800
Solid Waste Management	Ursula Kramer	150 W. Congress St, 1 st Fl	740-3352
Transportation	Priscilla Cornelio	201 N. Stone Ave, 3 rd Fl	740-6437
Wastewater Management	Michael Gritzuk	201 N. Stone Ave, 8 th Fl	740-6549

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