



MEMORANDUM

Date: April 5, 2016

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **Pima County versus State of Arizona; Property Tax Oversight Commission**

As you can see from the attached Motion for Expedited Oral Argument and decision, the County motioned for Summary Judgment in this case.

The County has requested that a decision in this case be made as soon as possible and before the end of this fiscal year. We are hopeful the Court will expedite their deliberations and rule on our motion for Summary Judgment against the State of Arizona.

CHH/anc

Attachment

c: Thomas Weaver, Chief Civil Deputy County Attorney
Regina Nassen, Deputy County Attorney
Tom Burke, Deputy County Administrator for Administration
Keith Dommer, Director, Finance and Risk Management

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4 Phoenix, Arizona 85004-2555
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Attorneys for Plaintiffs

7 BARBARA LAWALL
PIMA COUNTY ATTORNEY
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9 32 N. Stone, Suite 2100
Tucson, Arizona 85701
10 Firm No. 00069000
11 *Attorneys for Pima County*

12 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA
13 IN AND FOR THE COUNTY OF MARICOPA

14 PIMA COUNTY, a body politic;
15 CLARENCE DOWNY KLINEFELTER,

16 Plaintiffs,

17 vs.

18
19 STATE OF ARIZONA; PROPERTY TAX
OVERSIGHT COMMISSION; DAVID
20 RABER, JIM BRODNAX, JEFF
21 LINDSEY, KEVIN MCCARTHY, and
22 FRED STILES, in their official capacities
as Members of the PROPERTY TAX
23 OVERSIGHT COMMISSION,

24 Defendants.

NO. CV2015-009739

**PLAINTIFFS' MOTION FOR
EXPEDITED ORAL ARGUMENT
AND DECISION**

(Assigned to the Honorable Judge
Gerlach)

25 The briefing on Plaintiffs' Motion for Summary Judgment and Defendants' Cross-
26 Motion for Summary Judgment is now complete and Plaintiffs respectfully request that
27 this Court expedite oral argument in this case so that a decision can be issued before June
28

1 Spahr LLP
1 East Washington Street, Suite 2300
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1 30, 2016.

2 The statute at issue in this case, A.R.S. § 15-972(K), requires that, beginning in
3 fiscal year 2015-2016, a taxing jurisdiction shall transfer the amount of Additional State
4 Aid for Education (“ASAE”) “to the affected school district or districts during the fiscal
5 year” as determined by the Property Tax Oversight Commission (“PTOC”). The State’s
6 2015-2016 Fiscal Year ends on June 30, 2016. On March 24, 2016, PTOC notified the
7 Pima County Board of Supervisors of its determination that the County must transfer a
8 total of \$16,804,052.83 for its portion of the ASAE pursuant to A.R.S. § 15-972(K), to
9 seven different school districts by June 30, 2016. See Attachment. Thus, Plaintiffs
10 respectfully request that this Court hear oral argument and issue a decision by the June
11 30, 2016 deadline as set forth in A.R.S. § 15-972(K).

12 DATED this 30 day of March, 2016.

13 BALLARD SPAHR LLP

14 By: /s/ Joseph A. Kanefield

15 Joseph A. Kanefield
16 Heather T. Horrocks
17 1 East Washington Street, Suite 2300
18 Phoenix, AZ 85004-2555

19 Attorneys for Plaintiffs

20 PIMA COUNTY ATTORNEY

21 By: /s/Regina Nassen by J. Kanefieldw/permission

22 Regina Nassen
23 32 N. Stone, Suite 2100
24 Tucson, Arizona 85701

25 Attorneys for Pima County

26 The foregoing document was filed via
27 AZTurboCourt this 30 day of March,
28 2016, and e-mailed this same day to:

MARK BRNOVICH
ATTORNEY GENERAL

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/s/ Cassandra Potter

PROPERTY TAX OVERSIGHT COMMISSION

Arizona Department of Revenue Building



March 24, 2016

Douglas A. Ducey
Governor

David Briant
Chairman

The Honorable Sharon Bronson, Chairman
Pima County Board of Supervisors
130 W. Congress Street, 11th Floor
Tucson, AZ 85701

| | |
|------------------------|--------------------------|
| Jim Brodnax Member | Kevin McCarthy Member |
| Jeff Lindsey Member | Chris Kelling Member |

RE: Transfer to School Districts pursuant to A.R.S. § 15-972(K)

Dear Supervisor Bronson:

On March 14, 2016, the Property Tax Oversight Commission met to review and approve amounts that certain taxing jurisdictions are required to transfer to certain school districts for any county with school districts that collectively would receive more than \$1 million in Additional State Aid for Education (ASAE) pursuant to A.R.S. § 15-972(K).

The total ASAE due to the 1% Constitutional limit pursuant to Article IX, Section 18 for Pima County is \$16,804,052.83. Pima County's primary tax rate of \$4.3877 is higher than the county average tax rate of \$2.2568. All other taxing jurisdictions in Pima County for the affected school districts are equal to or less than the tax rate of their peer jurisdictions and are not required to transfer funds. Therefore, the Commission determined Pima County is required to transfer a total of \$15,804,052.83 to seven school districts in FY 2016 in order to compensate the school districts for Pima County's pro rata share of the reduction in ASAE funding. The amounts by school district are:

- 1) Tucson Unified School District #1 - \$15,716,829.31,
- 2) Marana Unified School District #6 - \$8,916.42,
- 3) Amphitheater Unified School District #10 - \$23,959.33,
- 4) Vail Unified School District #20 - \$215.98,
- 5) Sahuarita Unified School District #30 - \$913.50,
- 6) San Fernando Elementary School District #35 - \$190.55 and
- 7) Altar Valley Elementary School District #51 - \$53,027.74.

You have a right to request an evidentiary hearing pursuant to A.R.S. § 41-1092.03 by filing a written notice of appeal with the Property Tax Oversight within 30 days of receipt of this notice. If you request an evidentiary hearing, you may also request an informal settlement conference pursuant to A.R.S. § 41-1092.06. If a hearing is not requested within the time provided by A.R.S. § 41-1092.03(B), this determination by the Property Tax Oversight Commission will stand.

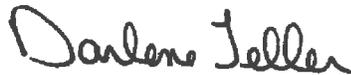
Attached are copies of the allocation worksheets and the implementation procedures for your reference. If you have any questions, please feel free to contact me at (602) 716-6436. Thank you for your cooperation with the Commission.

Property Tax Oversight Commission

March 24, 2016

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Sincerely,



Darlene Teller

Property Tax Oversight Commission Staff

Attachments: Implementation Procedures for A.R.S. §15-972(K) with Exhibits for Pima County

cc: C. H. Huckelberry, Administrator, Pima County
Keith Dommer, Finance Director, Pima County
Craig Horn, Finance Analyst Supervisor, Pima County
Yousef Awwad, Chief Financial Officer, Tucson Unified District
Dan Contorno, Business Manager, Marana Unified District
Scott Little, Chief Financial Officer, Amphitheater Unified District
Lisa Cervantez, Business Manager, Vail Unified District
Charlotte Gates, Business Manager, Sahuarita Unified District
Ricardo Hernandez, Business Manager, San Fernando Elementary District
Tamie Jewell, Business Manager, Altar Valley Elementary District