MEMORANDUM

Date: September 17, 2015

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

From: C.H. Huckelberry
County Administrator

Re: **Estimated Property Tax Increase If Voters Approve All Seven Bond Propositions**

There appears to be some confusion regarding how much more property taxpayers would have to pay in secondary property taxes if all seven bond propositions are approved. The current secondary property tax rate is $0.70 per $100 of taxable net assessed value. As shown in the Bond Implementation Plan Ordinance and voter information pamphlet, if all seven bond propositions are approved, the tax rate would increase to, but not exceed, $0.815 per $100 of taxable net assessed value. This equates to a $0.115 tax rate increase that would be maintained for a period of 13 years and would then begin to decrease. This $0.115 tax rate increase equates to a $17.54 tax increase for an owner of the average valued owner/occupied home in Pima County, which is valued at $152,511.

From a practical standpoint, this means this particular homeowner already pays secondary property taxes for existing Pima County bond debt and would pay $17.54 more beginning in Fiscal Year 2016/17 if all seven bond propositions are approved. However, and this is where it appears there is some confusion, the tax rate would not increase again the next year because it would have reached the cap of $0.815. Therefore, secondary property taxes would not increase again the next year unless the taxable net assessed value of the property increases.

Estimated Annual Change in Secondary Property Taxes Rates over the Repayment Term for 2015 Bonds for an Average Valued Owner/Occupied Residence ($152,511)

Fiscal Year	Estimated Annual Tax Rate Increase/ Decrease
2016/17	$0.1150
2017/18	0.0000
2018/19	0.0000
2019/20	0.0000
2020/21	0.0000
2021/22	0.0000
2022/23	0.0000

Fiscal Year	Estimated Annual Tax Rate Increase/ Decrease
2023/24	0.0000
2024/25	0.0000
2025/26	0.0000
2026/27	0.0000
2027/28	0.0000
2028/29	0.0000
2029/30	0.0907
2030/31	-0.1414
2031/32	-0.0431
2032/33	-0.0231
2033/34	-0.0373
2034/35	-0.0395
2035/36	-0.0415
2036/37	-0.0386
2037/38	-0.0521
2038/39	-0.0534
2039/40	-0.0545
2040/41	-0.0523
2041/42	-0.0503
2042/43	-0.0563

CHH/mjk

c: Tom Burke, Deputy County Administrator for Administration
Nicole Fyffe, Executive Assistant to the County Administrator
Diana Durazo, Special Staff Assistant to the County Administrator