



MEMORANDUM

Date: January 26, 2017

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

From: C.H. Huckelberry
County Administrator 

Re: **Change in Pima County's Tax Base**

Attached are several charts indicating the overall change in Pima County's tax base since Fiscal Year (FY) 2009/10. It was this fiscal year when the tax base began to contract due to the extensive and prolonged economic recession beginning in 2008. Over the extended period of this recession, the primary property tax base contracted 17.41 percent; and the secondary property tax base, for example, for the Regional Flood Control District, contracted by 26.18 percent. These are significant economic contractions since the most memorable previous major recession, the savings and loan crisis, the tax base of Pima County contracted less than one percent over an approximate 5-year period from 1986 to 1991.

The good news is that the tax base is again expanding, with the first expansion occurring in FY 2015/16. The tax base expansion this year is projected to be 3.3 percent, which is a significant improvement from previous years. It should be remembered that expansion of the tax base is now limited by Constitutional amendment to no more than 5 percent. It is likely that no matter how active or positive the local economy becomes, our growth in future assessed value will be limited to 5 percent.

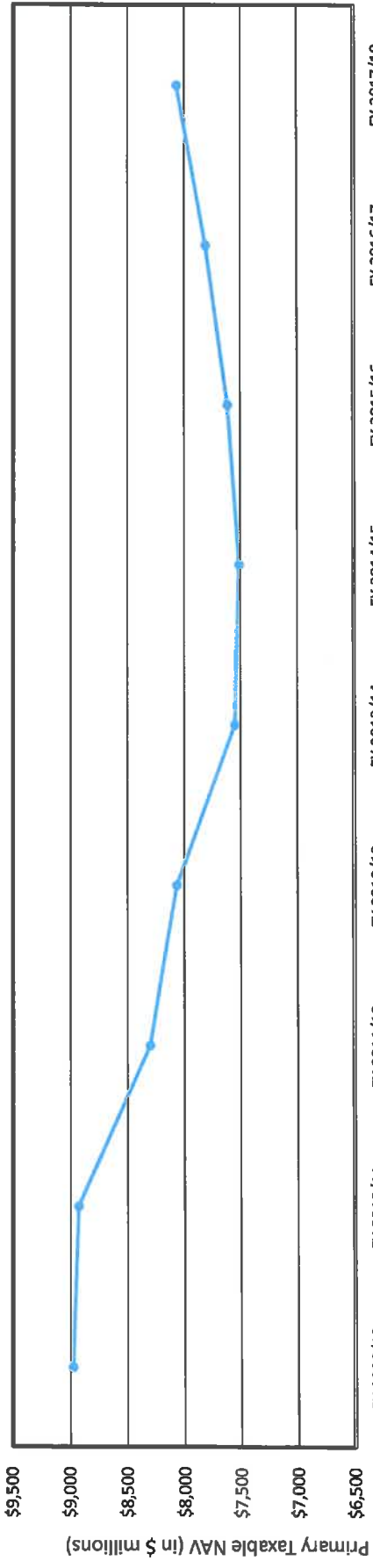
The considerable improvement in the tax base growth is attributed to overall economic recovery and many of the proactive positions taken by the County regarding job growth and tax base expansion.

CHH/anc

Attachment

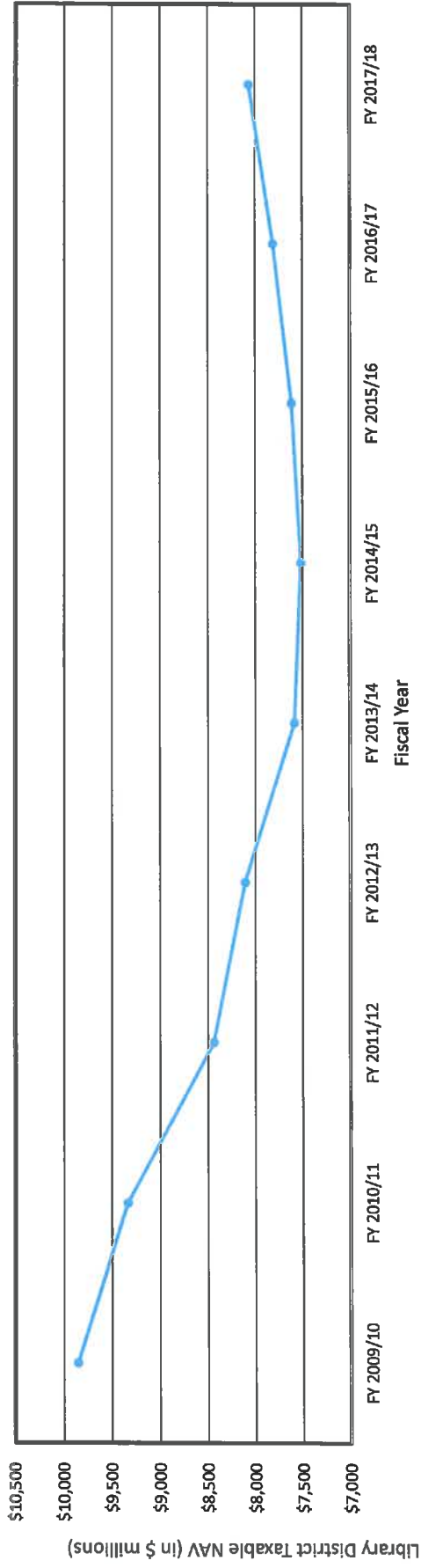
c: Tom Burke, Deputy County Administrator for Administration
Keith Dommer, Director, Finance and Risk Management
Robert Johnson, Budget Manager, Finance and Risk Management

Pima County Primary Taxable Net Assessed Value From Peak in FY 2009/10



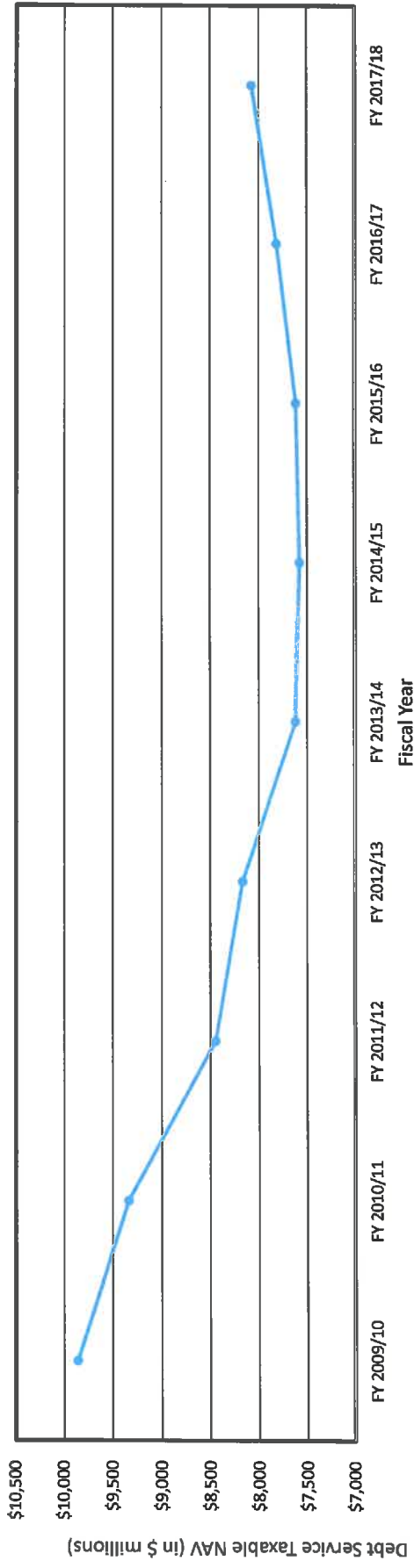
	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18
Primary Taxable NAV	\$ 8,985,711,830	\$ 8,939,647,260	\$ 8,310,120,212	\$ 8,073,937,734	\$ 7,559,129,097	\$ 7,518,481,988	\$ 7,620,360,873	\$ 7,816,699,760	\$ 8,074,892,912
% change from prior year	N/A	-0.51%	-7.04%	-2.84%	-6.38%	-0.54%	1.36%	2.58%	3.30%

Pima County Library District Taxable Net Assessed Value From Peak in FY 2009/10



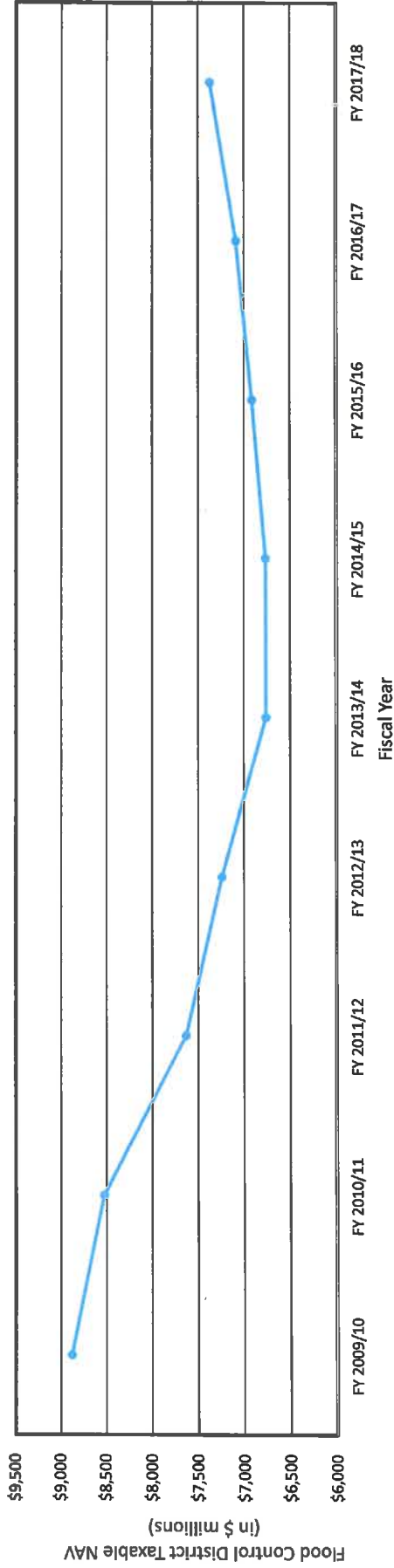
	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18
Library District Taxable NAV	\$ 9,660,980,900	\$ 9,342,561,193	\$ 8,448,281,586	\$ 8,116,015,231	\$ 7,590,546,275	\$ 7,522,893,581	\$ 7,620,360,873	\$ 7,816,699,760	\$ 8,074,892,912
% change from prior year	N/A	-5.26%	-9.57%	-3.93%	-6.47%	-0.89%	1.30%	2.58%	3.30%

Pima County Debt Service Taxable Net Assessed Value From Peak in FY 2009/10



	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18
Debt Service Taxable NAV	\$ 9,860,980,900	\$ 9,342,561,193	\$ 8,448,281,586	\$ 8,171,211,922	\$ 7,623,691,280	\$ 7,579,898,868	\$ 7,620,360,873	\$ 7,816,699,760	\$ 8,074,882,912
% change from prior year	N/A	-5.26%	-9.57%	-3.28%	-6.70%	-0.57%	0.53%	2.58%	3.30%

Pima County Flood Control District Taxable Net Assessed Value From Peak in FY 2009/10



	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18
Flood Control District Taxable NAV	\$ 8,885,189,966	\$ 8,529,149,549	\$ 7,634,237,253	\$ 7,244,629,122	\$ 6,768,456,641	\$ 6,767,457,872	\$ 6,917,200,982	\$ 7,089,459,732	\$ 7,373,372,757
% change from prior year	N/A	-4.01%	-10.49%	-5.10%	-6.57%	-0.01%	2.21%	2.49%	4.00%