



MEMORANDUM

Date: July 7, 2017

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

From: C.H. Huckelberry
County Administrator 

Re: **Comparison of Pima County Overhead to Other Arizona Counties**

The Arizona Tax Research Association (ATRA) annually reviews the budgets of Arizona's 15 counties and compiles comparative financial information. ATRA specifically reports on General Fund revenues, including primary property taxes, and General Fund expenditures. ATRA also specifically reports on any additional property taxes levied by a county or any of its special taxing districts such as a library district or a jail district.

Of interest to ATRA is the amount of central administration or overhead costs a county allocates to its special taxing districts. For example, some counties charge their special taxing districts for printing and mailing tax statements. Counties that allocate overhead costs allocate an average of 2.86 percent of their General Fund budgeted expenditures to their special taxing districts. Pima County allocates only 1.70 percent of its General Fund expenditures to its special taxing districts. Eight of the 13 counties that allocate overhead costs charge a larger percentage of their General Fund expenditures to their special taxing districts than Pima County.

A complete list of Fiscal Year (FY) 2016/17 Arizona counties' budgeted General Fund expenditures and overhead allocations is presented in the table below.

**FY 2016/17 Arizona Counties' Budgeted General Fund
Expenditures and Overhead Allocations.**

County	General Fund Expenditures Budget	Overhead Charges to Special Districts	Percentage of General Fund Budget
Apache	\$ 20,117,544	\$2,254,474	11.21
Navajo	41,408,189	2,024,560	4.89
Coconino	79,286,616	2,977,675	3.76
Graham	17,932,119	497,947	2.78
Yuma	83,949,570	2,025,772	2.41
Cochise	81,056,797	1,782,639	2.20
Pinal	174,359,922	3,407,000	1.95
Gila	49,042,638	899,818	1.83
Pima*	588,342,099	9,993,950	1.70

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**FY 2016/17 Arizona Counties' Budgeted General Fund
 Expenditures and Overhead Allocations.**

County	General Fund Expenditures Budget	Overhead Charges to Special Districts	Percentage of General Fund Budget
Mohave	80,865,005	1,129,989	1.40
Santa Cruz	29,030,538	390,000	1.34
Yavapai	97,930,243	1,190,586	1.22
Maricopa	1,062,505,856	5,938,277	0.56
Greenlee	12,455,649	0	0.00
La Paz	16,150,812	0	0.00
Average			2.48
Average with Greenlee, La Paz Excluded			2.86

*Includes \$893,950 for Pima County's Stadium District.

Source: Arizona Tax Research Association's FY 2017 Budget Review, Arizona Counties.

As can be seen, Pima County's overhead allocations to its special taxing districts are very reasonable when compared to other Arizona counties.

CHH/mjk

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