



MEMORANDUM

Date: February 23, 2018

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

From: C.H. Huckelberry
County Administrator 

Re: **February 20, 2018 Board of Supervisors Meeting – Assessor’s Statement at Call to the Public**

At the February 20, 2018 Board of Supervisors meeting Call to the Public, the Assessor stated:

“From 2017 to 2018 the growth for Pima County has been calculated at 1.86 percent. What does this mean? It means that you can lower the 2018 tax rates by over 10 percent. Even lowering the tax rates over 10 percent you will still levy 1.86 percent more than you did last year. \$6.8 million more”.

To put this perspective in factual context, the total percentage increase in the County’s tax base is 3.21 percent and includes the 1.86 percent of new construction related growth mentioned by the Assessor and approximately 1.35 percent growth in the value of properties that existed last year. Using the new construction growth component of 1.86 percent in the tax base at the same combined primary property tax rate levied last year, would yield an additional levy of \$6.8 million. The total percentage increase of 3.21 percent in the tax base would yield an additional levy of \$11.5 million. A 10 percent reduction in the current combined primary property tax rate of \$4.4596 would equal 44.6 cents or \$37.2 million less than the levy at the increased FY 2018/19 tax base. Hence a 10 percent reduction in the primary tax rate would decrease the FY 2018/19 forecasted levy by \$37.2 million not increase them by \$6.8 million.

The Assessor is correct that if the County maintains the combined primary property tax rate at \$4.4596 in FY 2018/19 that the Board will be required to hold a Truth in Taxation Hearing. However, the recommended combined primary property tax rate is still being determined.

The Assessor’s statement is not supported by fact or analytics associated with tax base rate, levy or revenue calculations. However, we are always looking for departments to voluntarily reduce their budget by 10 percent.

CHH/mp