



MEMORANDUM

Date: October 5, 2018

To: The Honorable Ramón Valadez, Vice Chair
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **Response to Your October 1, 2018 Memorandum**

Below is a response to the questions included in your memorandum. Your memorandum is attached (Attachment 1).

1. Pima County's Poverty Rate

Mr. Davidson was incorrect in stating that we have the highest poverty rate of any county in Arizona. Pima County's poverty rate is 16.7 percent, according to the Census Bureau's American Community Survey 2017, which is the latest information. This means eight counties in Arizona have higher poverty rates.

Table 1
Arizona County Poverty Rates

County	Poverty Rate for Individuals	Ranking by Highest Poverty Rate
Apache	33.6%	1
Navajo	26.8%	2
Graham*	22.5%	3
Santa Cruz*	21.9%	4
Gila*	21.2%	5
La Paz*	21.1%	6
Coconino	19.0%	7
Yuma	18.3%	8
Mohave	16.7%	9
Pima	16.7%	9
Cochise	14.1%	10

Honorable Ramón Valadez, Vice Chair

Re: **Response to Your October 1, 2018 Memorandum**

October 5, 2018

Page 2

Yavapai	14.1%	10
Maricopa	13.4%	11
Greenlee*	13.4%	11
Pinal	12.6%	12

*2016 ACS data as 2017 did not exist for these counties

You asked about the social, economic and demographic makeup of our community in poverty. Attached is data from the 2017 American Community Survey for Pima County only, providing the poverty rates based on age, sex, race, educational attainment, employment status, and work experience (Attachment 2).

You also asked what Pima County has done to address the issue, if we have seen positive outcomes, or when can we expect to see positive outcomes. As you know, poverty is a complex issue and one that the County alone will never solve. Macro-level changes in the global economy and in federal and state safety-net programs are beyond Pima County's control, but can have significant impacts on the number of individuals living below the poverty rate. During the recession, Pima County's poverty rate topped 19 percent. Since then it has decreased to 16.7 percent.

For too many years Pima County, like others in the region, have managed poverty instead of really addressing it. While Pima County continues to provide many services to those who are already living in poverty, in recent years we have begun to embark on a new, multifaceted effort at ending poverty now.

Ending Poverty Now is a Pima County economic development initiative that employs the following strategies:

1. County/business partnerships to promote retention and advancement of workers
2. Engaging and empowering under-resourced people
3. Building a cross-sector strategy
4. Coordinating and combining resources to maximize their impact

This effort includes new and successful programs such as our Mothers in Arizona Moving Ahead (MAMA) program, Getting Ahead Program, and Resource Navigator Program. These are in addition to our continuing efforts to create more jobs in the community.

2. County Employee, Budget and Service Comparisons

A. Pima County budget by revenue sources

The chart below shows Pima County's General Fund revenues by type for FY2018/19. As you can see, although property taxes fund a significant share of the General Fund, revenues from federal, state and other local governments, plus charges for services, are also significant funding sources.

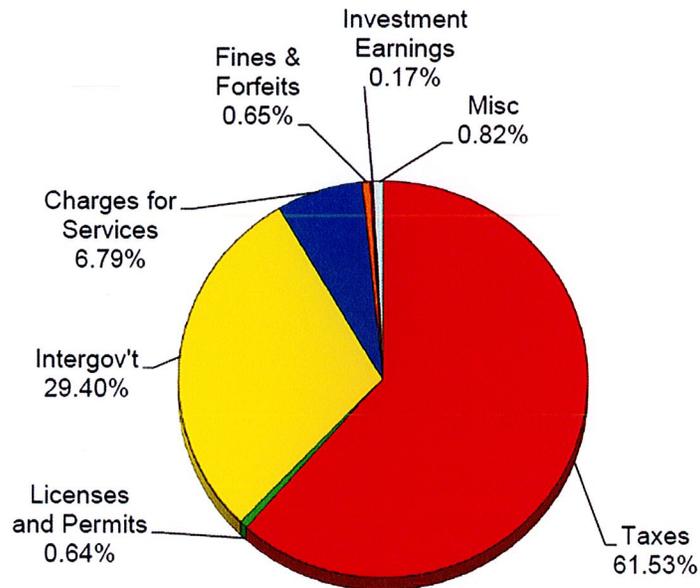
Honorable Ramón Valadez, Vice Chair

Re: **Response to Your October 1, 2018 Memorandum**

October 5, 2018

Page 3

**FY2018/19
General Fund Revenues**



Attachment 3 contains four pages from the Adopted FY2018/19 Budget showing a summary of revenues by fund and category for all Pima County funds including the General Fund.

B. Services, Levels of Service, and Employee Numbers

Mr. Davidson apparently stated that Pima County is overstaffed compared to Maricopa and Pinal counties. Pima County serves a larger unincorporated population than Maricopa and Pinal in absolute numbers (see Table 3). When it comes to the percent of the total population that is unincorporated, Pima County's is five times greater than Maricopa's, and Pinal's is seven times greater than Maricopa's. Pima County provides many city-level services to its unincorporated population, whereas Maricopa and Pinal counties generally do not.

If you take just one general fund service, parks, and compare it to Maricopa and Pinal, you see that Pima County provides a significantly higher level of service. Maricopa County does not operate community centers, playgrounds, pools and ballfields. Instead, they only operate what equates to mountain parks and natural areas, which require very low support in both funding and staffing levels. Pinal County operates only two neighborhood parks, one regional natural resources park, trails, and contracts management of four other park-like properties. In comparison, Pima County's Natural Resources, Parks and Recreation Department operates and maintains 49 parks, many of which include sportsfields, 25 trailheads, 13 community

Honorable Ramón Valadez, Vice Chair

Re: **Response to Your October 1, 2018 Memorandum**

October 5, 2018

Page 4

centers, nine pools, seven dog parks, six shooting, archery, and clay target ranges, five BMX/Skate Parks, The Loop, three equestrian arenas, hundreds of miles of trails for recreational pleasure, and more than 250,000 acres of conservation lands open to outdoor recreation pursuits.

Table 2
Park Department Budgets and Employees

County	Parks Budget	Parks Employees (FTEs)
Pima	\$20,876,142	284
Pinal	\$348,065	2
Maricopa	\$13,616,726	91

Each county has its individual nuances, demands for types of services and levels of services. Some services provided by Arizona counties are regional in nature for the entire county population, including those residing in cities and towns, whereas other services are just for unincorporated residents. Pima County is the only Arizona county to provide regional wastewater services and it has a regional library. These expenses are included in Pima County's total budgeted expenses. Maricopa County, on the other hand, has a hospital district which is a separate entity, the expenditures of which are not included in Maricopa's total budget expenditures. Maricopa's hospital district's operating budget last fiscal year was \$73.8 million and its capital budget was \$35 million. Maricopa County's total budgeted expenditures would be higher if these were included. Comparatively, Pima County spends \$15 million annually in hospital support, and those expenditures are included in our total budgeted expenditures. Pima County's parks, library and wastewater reclamation departments have 1,128 employees that are largely not in Maricopa's or Pinal counties budgets.

These are only a few examples of how we differ as service providers and cannot be compared on a straight per capita cost or employee comparison. Using only the unincorporated population, Maricopa's cost per capita and number of employees per 10,000 people is twice Pima County's. However, using the total population Pima County's cost per capita and number of employees per 10,000 people is twice Maricopa's. Neither of these is a fair comparison.

**Table 3
 Budgeted Expenses and Employees per Capita**

County	Total Budgeted Expenses FY2018/19	Total Population July 1, 2017	Uninc. Population July 1, 2017	% Pop Uninc.	Budgeted Expenses per Capita (Total)	Budgeted Expenses per Capita (Uninc.)	Total Employees (FTEs)	Employees per 10k Total Pop.	Employees per 10k Uninc. Pop.
Pima	\$1,334,100,609	1,026,099	363,857	35%	\$1,300	\$3,667	6,964	68	191
Pinal	\$451,709,402	427,603	219,026	51%	\$1,056	\$2,062	2,041	48	93
Maricopa	\$ 2,583,181,341	4,221,684	303,286	7%	\$612	\$8,517	14,995	36	494
Pima excluding RWRD & adjusted Library	\$1,097,786,233	1,026,099	363,857	35%	\$1,070	\$3,017	6,377	62	175

Maricopa County’s Library services mostly unincorporated areas, and therefore has less staff and less expenses. Pinal is similar, but provides some supplementary support to municipal libraries. If we adjust Pima County’s Library expenses and number of employees to include those above Maricopa’s, and we subtract 100 percent of Pima County’s wastewater reclamation employees and expenses, Pima’s expenses per capita are more on par with Pinal County. Considering unincorporated population only, the expenses are still higher than Pinal’s, but significantly lower than Maricopa’s.

C. Maricopa County receives twice as much State shared transportation revenue for similar number of road miles and less population

Maricopa County maintains 2,001 miles of paved roads.¹ Pima County maintains 1,891 miles, which is not much less. However, because of inequitable distribution formulas, the State gives Maricopa County more than twice the amount of state-shared transportation revenues (HURF/Transportation VLT) to operate and maintain their system even though it is almost the same size and services a lesser number of unincorporated residents. Clearly, Maricopa County’s roads are in much better condition than Pima County, but they should be since they receive significantly more funding to maintain them.

Pinal County is also shortchanged when it comes to the inequitable distribution of state-shared transportation revenues. Pinal County maintains 1,026 miles of paved roads, which is about half of the mileage maintained by Maricopa County, but Pinal received less than 1/5 of the amount of state-shared transportation revenues that Maricopa County receives.

¹ All paved mileage is in centerline miles, not lane miles.

Table 4
HURF/TVLT Revenue by County

County	FY17/18 HURF	FY17/18 TVLT	Unincorporated Population July 1, 2017	HURF/TVLT per Capita in Uninc. Area
Maricopa	\$108,715,045	\$11,976,346	303,286	\$398
La Paz	\$4,219,749	\$581,443	14,515	\$331
Coconino	\$10,278,911	\$2,268,440	55,328	\$227
Greenlee	\$954,226	\$187,637	5,373	\$213
Cochise	\$8,744,848	\$2,214,002	50,937	\$215
Yuma	\$10,920,888	\$2,541,209	64,465	\$209
Mohave	\$12,802,123	\$3,185,777	9,968	\$200
Gila	\$3,900,768	\$1,084,126	26,266	\$190
Yavapai	\$12,147,669	\$3,547,732	88,006	\$178
Santa Cruz	\$3,612,787	\$1,087,021	28,199	\$167
Graham	\$2,537,423	\$864,057	20,595	\$165
Pima	\$44,638,648	\$14,959,429	363,857	\$164
Navajo	\$8,503,218	\$2,883,473	70,518	\$161
Apache	\$7,132,667	\$2,591,014	62,242	\$156
Pinal	\$20,425,501	\$7,940,989	219,026	\$130

<https://www.azdot.gov/docs/default-source/businesslibraries/hurf18city.pdf?sfvrsn=4>

<https://www.azdot.gov/docs/default-source/businesslibraries/vlt18det.pdf?sfvrsn=4>

3. Inadequate Revenue for Transportation

The reason our roads are in such poor condition clearly ties back to the fact that we do not receive enough revenue from the State for the variety of needs associated with our transportation system. As is documented above, Pima County receives far less in state-shared transportation revenues (HURF/TVLT) than Maricopa County even though we operate and maintain a similar size transportation system. The state gas tax is the main source of HURF funding. However, the State has failed to increase the state gas tax since 1991, and vehicles are now more fuel-efficient. This means the 18-cent state gas tax is now worth only 7 cents when inflation and fuel efficiency increases are taken into account since 1991. Sweeps of HURF funds for other state highway purposes has also reduced annual allocations to local governments for over a decade. All of these factors result in insufficient revenues and pit types of transportation investment needs against each other. For example, in 1997, the prevailing concern from the public and businesses was traffic congestion. As a result, voters approved a \$350 million bond program to expand roadways across the County, especially in northwest Tucson where the most growth had occurred. The improvements have successfully reduced congestion by 43 percent and more than doubled roadway capacity. But, the source of revenue committed to repay these bonds was and still is HURF

and TVLT revenues, which leaves little available for road repair. When this bond program reaches completion and the bond debt payments decrease, the funding that was going to debt payments can then be allocated to road repair.

While we have been trying to make the most of the revenues we do receive from the State for transportation, we have been accused of shortchanging District 1. Nothing could be further from the truth. As shown in Attachment 4, District 1 received 26 percent of the total pavement preservation funding over the last seven fiscal years, 52 percent of the 1997 HURF bonds between 1997 and 2017, and has been approved by the Board to receive 25 percent of the new local road repair property tax funding for the next two fiscal years. In each of these categories, District 1 clearly received more than any of the other four districts.

As for Proposition 463, Ordinance No. 2018-26 distributes the bond proceeds by incorporated cities and towns, and the unincorporated area of Pima County, not by supervisorial district.

Table 5
Distribution of Bond Proceeds

Jurisdiction	Taxable Net Assessed Valuation ¹	% of Overall County Tax Base	July, 1 2017 Census Population Estimates	% Population	% of Tax Base + % of Population Divided by Two ²	\$430 million GO Bonds	Distribution Per Jurisdiction ³
Marana	\$ 645,311,769	7.74%	44,792	4.38%	6.06%	\$ 430,000,000	\$ 26,058,000
Oro Valley	\$ 535,042,025	6.42%	44,350	4.34%	5.38%	\$ 430,000,000	\$ 23,134,000
Sahuarita	\$ 233,877,438	2.81%	29,318	2.87%	2.84%	\$ 430,000,000	\$ 12,212,000
South Tucson	\$ 22,169,911	0.27%	5,643	0.55%	0.41%	\$ 430,000,000	\$ 1,763,000
Tucson	\$ 3,414,161,333	40.97%	535,677	52.38%	46.67%	\$ 430,000,000	\$ 200,681,000
Unincorporated Pima	\$ 3,483,330,430	41.80%	362,989	35.49%	38.64%	\$ 430,000,000	\$ 166,152,000
Total	\$ 8,333,892,906	100.00%	1,022,769	100.00%	100.00%	\$ 430,000,000	\$ 430,000,000

¹Sources: Pima County Assessor 2018 Levy Limit Worksheet for Overall Pima County, South Tucson, and Tucson valuation. Pima County Clerk of the Board of Supervisors, 2018 Abstract of Pima County Clerk of the Board of Supervisors, 2018 Abstract of Values By Legislative Class of Property for Marana, Oro Valley, and Sahuarita valuation.

²Rounded to two decimal points

³Amount shown does not reflect 1 percent of the bond proceeds that will be retained by the County to cover a proportional share of bond issuance costs, or any additional bond proceeds that may be retained to cover costs that the County may incur establishing roads as county highways as required by State statute.

4. No Mismanagement of Transportation Funds

A. Annual audits by the State verify that Pima County is spending state shared transportation revenues for appropriate transportation purposes

Per A.R.S. 41-1279.21, the Arizona Auditor General's office is required to audit all Arizona counties' spending of state-shared transportation revenues (HURF/TVLT). The results of the audit are included in Pima County's Comprehensive Annual

Honorable Ramón Valadez, Vice Chair

Re: **Response to Your October 1, 2018 Memorandum**

October 5, 2018

Page 8

Financial Reports (CAFR) and no problems have been noted. In addition, a 2013 audit of the County's general obligation bond programs by the State Auditor General's office concluded "The County spent the proceeds in accordance with the voter-authorized purposes" and "Bond projects benefited citizens throughout Pima County." Bond rating agencies also continue to cite positively the management of our bond programs. Our general obligation bonds were rated AAA earlier this year by the Fitch rating agency, which is the highest possible rating.

B. Alternative Options for Funding Road Repair

Looking back over the past 25 years, the only option under the County's control that could have resulted in more revenue for road repair would have been to not spend as much on capacity expansion improvements. At the time the 1997 transportation bond election, traffic congestion was the number one complaint. Therefore, the majority of the projects funded from those HURF bonds were for capacity expansion projects. This coupled with less than expected HURF revenues, severely compromised our ability to keep up with road repair needs.

It has been stated that the County has done nothing to try to solve this road repair problem. That is incorrect. The County has been lobbying the state to increase transportation revenues for at least 13 years. But these requests have essentially fallen on deaf ears. The closest we came was at the end of this legislative session, but that even failed at the eleventh hour. In addition to lobbying the state, the Board adopted a 25-cent primary property tax for road repair for last fiscal year, which is the maximum amount that can be levied for transportation on the primary property tax rate. However, the revenue it generated was woefully insufficient, as confirmed by our Transportation Advisory Committee. We also spent a year pursuing a sales tax for road repair, holding public meetings across the county and gathering information and expertise for the sales tax advisory committee. That too failed, as it required a unanimous vote of the Board and only received a 3-2 vote in support.

In summary, no mismanagement of transportation revenues has occurred, as verified by the State. There simply is not enough transportation revenue available to Pima County to cover the costs associated with operating, maintaining and improving our entire transportation system.

Please let me know if you have any other questions.

CHH/dr

Attachments

c: The Honorable Chairman and Members, Pima County Board of Supervisors

ATTACHMENT 1



MEMORANDUM

TO: C.H. Huckelberry, County Administrator

FROM: Ramón Valadez, County Supervisor District 2

DATE: October 1, 2018

SUBJECT: Hispanic Chamber of Commerce Meeting Regarding Proposition 463

A handwritten signature in blue ink, reading "Ramón Valadez", is written over the "FROM:" line of the memorandum.

On September 27, 2018, I attended the Hispanic Chamber of Commerce meeting. Mr. Gary Davidson attended to oppose Proposition 463. During his discussions, he gave a number of reasons to oppose Propositions 463, all of which I believe are inaccurate.

To obtain a factual response for Mr. Davidson, not particularly related to Proposition 463, but to his statements about Pima County and the reason many of our roads are failing. Please respond to the following:

1. He states that we have the highest poverty rate of any county in Arizona.
 - What are the poverty rates in Arizona and how does Pima County compare?
 - What is the social economic and demographic makeup of members of our community in poverty?
 - What has Pima County done to deal with an address this issue and, either, have we seen positive outcomes or when can we expect to see them?

2. He states that we are grossly overstaffed compared to Maricopa and Pinal Counties.
 - He further states that the full amount of the Pima County budget came from property taxes. Please break down, in brief, the revenue side of the Pima County budget.
 - Does Maricopa and Pinal Counties provide the same services or level of service compared to Pima County? If not, please explain and expand on the difference.

- Please determine, as best you can, the number of employees per overall population, actual unincorporated population and per capita costs per that same unincorporated population.
 - Do we have any other factors or major programs that other counties do not?
 - Please also compare General Fund expenditures per agency as well as the receipt of Highway User Revenue Funds (HURF) on an unincorporated per capita basis as that is a better measure of available revenues for transportation.
3. He indicates that we have a \$1 billion road problem and that losing \$11 million a year during the recession cannot be the cause for that problem.
- While I do not believe we have ever said that. Once again, please elaborate on how we have gotten to a \$1 billion road issue and what have been the issues contributing to this problem.
 - There has been a claim that Pima County has shortchanged District 1 both historical and going forward in Proposition 463. Please break down within supervisorial districts the beneficiaries of:
 - 1997 Road Bond Program
 - Pima County Board of Supervisors general fund allocation for road maintenance
 - Last fiscal year's 25 cent road property tax
 - Breakdown of allocations for Proposition 463
4. Finally, he claims the state of our roads is due to decades of mismanagement.
- It would be appropriate to determine if there is any determination of mismanagement through an audit or other findings over the last 25 years.
 - What options did Pima County have over the past 25 years that would have prevented this problem from growing this large?
 - If there were few or no options, did Pima County make any attempt at any level to secure funding options and alternatives?

I would appreciate your response to Mr. Davidson's claims.

RV

ATTACHMENT 2



S1701

POVERTY STATUS IN THE PAST 12 MONTHS

2017 American Community Survey 1-Year Estimates

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Technical Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities, and towns and estimates of housing units for states and counties.

Subject	Pima County, Arizona				
	Total		Below poverty level		Percent below poverty level Estimate
	Estimate	Margin of Error	Estimate	Margin of Error	
Population for whom poverty status is determined	992,023	+/-2,875	165,595	+/-10,452	16.7%
AGE					
Under 18 years	211,470	+/-1,650	47,338	+/-5,033	22.4%
Under 5 years	57,567	+/-614	15,278	+/-2,651	26.5%
5 to 17 years	153,903	+/-1,447	32,060	+/-3,632	20.8%
Related children of householder under 18 years	210,726	+/-1,764	46,594	+/-5,096	22.1%
18 to 64 years	586,603	+/-2,695	101,013	+/-6,608	17.2%
18 to 34 years	235,243	+/-2,422	53,653	+/-4,869	22.8%
35 to 64 years	351,360	+/-1,091	47,360	+/-3,671	13.5%
60 years and over	256,540	+/-3,103	25,727	+/-2,614	10.0%
65 years and over	193,950	+/-614	17,244	+/-2,075	8.9%
SEX					
Male	480,529	+/-2,260	73,249	+/-5,786	15.2%
Female	511,494	+/-1,512	92,346	+/-6,754	18.1%
RACE AND HISPANIC OR LATINO ORIGIN					
White alone	762,802	+/-8,921	106,170	+/-8,472	13.9%
Black or African American alone	32,570	+/-2,096	9,960	+/-2,529	30.6%
American Indian and Alaska Native alone	41,108	+/-4,499	17,547	+/-3,631	42.7%
Asian alone	29,093	+/-2,186	5,257	+/-1,448	18.1%
Native Hawaiian and Other Pacific Islander alone	N	N	N	N	N
Some other race alone	75,085	+/-7,777	17,754	+/-4,545	23.6%
Two or more races	49,758	+/-5,089	8,853	+/-1,875	17.8%
Hispanic or Latino origin (of any race)	369,432	+/-2,033	73,904	+/-7,676	20.0%
White alone, not Hispanic or Latino	516,317	+/-1,802	62,773	+/-5,909	12.2%
EDUCATIONAL ATTAINMENT					
Population 25 years and over	669,885	+/-1,670	83,263	+/-5,426	12.4%
Less than high school graduate	68,266	+/-4,164	17,291	+/-2,143	25.3%
High school graduate (includes equivalency)	143,318	+/-5,647	24,710	+/-3,517	17.2%
Some college, associate's degree	230,905	+/-6,182	27,531	+/-2,728	11.9%

Subject	Pima County, Arizona				
	Total		Below poverty level		Percent below poverty level
	Estimate	Margin of Error	Estimate	Margin of Error	Estimate
Bachelor's degree or higher	227,396	+/-6,529	13,731	+/-1,971	6.0%
EMPLOYMENT STATUS					
Civilian labor force 16 years and over	471,163	+/-6,905	55,934	+/-5,158	11.9%
Employed	437,514	+/-7,082	41,839	+/-4,118	9.6%
Male	231,407	+/-4,622	21,234	+/-2,907	9.2%
Female	206,107	+/-5,422	20,605	+/-2,402	10.0%
Unemployed	33,649	+/-3,207	14,095	+/-2,715	41.9%
Male	15,273	+/-1,953	5,207	+/-1,184	34.1%
Female	18,376	+/-2,826	8,888	+/-2,389	48.4%
WORK EXPERIENCE					
Population 16 years and over	805,407	+/-2,644	122,622	+/-7,348	15.2%
Worked full-time, year-round in the past 12 months	302,104	+/-6,150	11,763	+/-1,726	3.9%
Worked part-time or part-year in the past 12 months	192,226	+/-4,928	44,474	+/-3,996	23.1%
Did not work	311,077	+/-5,483	66,385	+/-4,749	21.3%
ALL INDIVIDUALS WITH INCOME BELOW THE FOLLOWING POVERTY RATIOS					
50 percent of poverty level	74,966	+/-6,688	(X)	(X)	(X)
125 percent of poverty level	224,238	+/-10,628	(X)	(X)	(X)
150 percent of poverty level	273,331	+/-13,202	(X)	(X)	(X)
185 percent of poverty level	347,734	+/-15,726	(X)	(X)	(X)
200 percent of poverty level	372,851	+/-15,810	(X)	(X)	(X)
300 percent of poverty level	536,546	+/-14,614	(X)	(X)	(X)
400 percent of poverty level	675,209	+/-10,216	(X)	(X)	(X)
500 percent of poverty level	761,359	+/-10,641	(X)	(X)	(X)
UNRELATED INDIVIDUALS FOR WHOM POVERTY STATUS IS DETERMINED					
Male	111,248	+/-5,373	29,623	+/-3,385	26.6%
Female	114,282	+/-5,553	34,974	+/-3,477	30.6%
15 years	51	+/-84	51	+/-84	100.0%
16 to 17 years	571	+/-363	571	+/-363	100.0%
18 to 24 years	40,723	+/-4,026	22,166	+/-3,644	54.4%
25 to 34 years	40,551	+/-3,203	8,585	+/-1,727	21.2%
35 to 44 years	22,619	+/-2,597	5,548	+/-1,435	24.5%
45 to 54 years	25,561	+/-2,527	6,900	+/-1,499	27.0%
55 to 64 years	37,368	+/-3,175	10,702	+/-1,731	28.6%
65 to 74 years	31,054	+/-2,379	5,443	+/-1,158	17.5%
75 years and over	27,032	+/-2,463	4,631	+/-995	17.1%
Mean income deficit for unrelated individuals (dollars)	7,369	+/-322	(X)	(X)	(X)
Worked full-time, year-round in the past 12 months	86,678	+/-5,239	3,706	+/-1,168	4.3%
Worked less than full-time, year-round in the past 12 months	56,756	+/-4,281	27,145	+/-3,116	47.8%
Did not work	82,096	+/-4,852	33,746	+/-3,582	41.1%

ATTACHMENT 3

Summary of Revenues by Fund and Category Fiscal Years 2016/2017 - 2018/2019

Source of Revenues	Actual 2016/2017	Adopted 2017/2018	Adopted 2018/2019
GENERAL FUND			
Property Taxes			
Real Property Taxes	325,868,912	327,756,452	325,981,343
Personal Property Taxes	9,295,071	8,682,548	10,048,026
Interest on Delinquent Taxes	6,012,303	5,188,832	4,678,540
Penalties on Delinquent Taxes	491,657	680,000	476,000
Total Property Taxes	341,667,943	342,307,832	341,183,909
Licenses & Permits			
Licenses and Permits	3,235,307	3,424,500	3,523,900
Total Licenses & Permits	3,235,307	3,424,500	3,523,900
Intergovernmental			
Sales Tax & Use	111,443,064	115,200,000	121,025,000
Transient Lodging Tax	5,844,598	5,873,112	5,873,112
Alcoholic Beverages	74,535	50,000	74,000
State Grants & Aid	3,479,385	837,564	1,128,256
Federal Grants & Aid	4,999,595	4,785,069	4,767,040
Other Local Government	662,422	293,900	724,900
Shared Vehicle License Tax	27,760,622	28,250,000	29,460,000
Total Intergovernmental	154,264,221	155,289,645	163,052,308
Charges for Services			
General Government	5,794,859	5,165,588	5,000,945
Court Fees	5,785,364	5,411,873	5,237,285
Sheriff Department Fees	869,595	950,000	855,000
Correctional Housing	7,340,593	7,000,000	7,100,000
Health Fees	1,468,171	1,786,200	1,180,000
Facility Fees	961,103	731,350	715,675
Interdepartmental Fees	294,527	290,625	291,625
Contributions/Pub Enterprs	24,190,728	19,286,354	16,655,900
Other Miscellaneous Fees	366,162	545,450	537,430
Collections Fees	429	-	101,000
Total Charges for Services	47,071,531	41,167,440	37,674,860
Fines & Forfeits			
Superior Court Fines & Forfeits	244,279	275,000	270,571
Justice Court Fines & Forfeits	2,719,379	2,912,925	2,760,157
Other Fines & Forfeits	600,134	550,000	580,000
Total Fines & Forfeits	3,563,792	3,737,925	3,610,728
Investment Earnings			
Investment Earnings	711,175	563,377	922,894
Total Investment Earnings	711,175	563,377	922,894
Miscellaneous Revenue			
Rents & Royalties	4,401,704	824,001	1,539,728
Overages and Shortages	(14,754)	(3,000)	(3,000)
Other Miscellaneous Revenue	3,088,518	2,741,477	3,005,445
Total Miscellaneous Revenue	7,475,468	3,562,478	4,542,173
TOTAL GENERAL FUND	557,989,437	550,053,197	554,510,772

Summary of Revenues by Fund and Category Fiscal Years 2016/2017 - 2018/2019

Source of Revenues	Actual 2016/2017	Adopted 2017/2018	Adopted 2018/2019
SPECIAL REVENUE FUNDS			
Environmental Quality			
Licenses & Permits	2,275,989	2,192,857	2,246,038
Fines & Forfeits	36,444	-	-
Investment Earnings	23,390	19,210	23,500
Miscellaneous Revenue	23,911	30,280	27,060
Total Environmental Quality	2,359,734	2,242,347	2,296,598
Grants			
Intergovernmental	43,062,043	59,823,909	60,814,472
Investment Earnings	11,403	2,150	9,325
Miscellaneous Revenue	2,401,796	4,315,673	4,929,488
Total Grants	45,475,242	64,141,732	65,753,285
Health			
Licenses & Permits	1,767,639	1,730,000	1,983,225
Intergovernmental	78,619	75,000	-
Charges for Services	2,072,229	2,755,735	2,755,735
Investment Earnings	40,323	-	-
Miscellaneous Revenue	154,440	3,000	3,000
Total Health	4,113,250	4,563,735	4,741,960
Improvement and Other Districts			
Property Taxes	-	-	232,042
Total Improvement and Other Districts	-	-	232,042
County Free Library			
Property Taxes	40,242,591	40,384,319	42,511,264
Intergovernmental	226,564	236,500	208,000
Charges for Services	722,721	280,000	400,000
Fines & Forfeits	514,543	600,000	600,000
Investment Earnings	82,996	40,000	85,000
Miscellaneous Revenue	534,519	505,000	558,500
Total County Free Library	42,323,934	42,045,819	44,362,764
Other Special Revenue			
Licenses & Permits	35	-	-
Intergovernmental	20,941,832	24,451,207	26,557,030
Charges for Services	7,590,868	7,962,813	6,794,744
Fines & Forfeits	3,891,279	3,089,000	3,274,000
Investment Earnings	223,864	157,561	212,994
Miscellaneous Revenue	5,442,829	7,461,768	8,488,910
Total Other Special Revenue	38,090,707	43,122,349	45,327,678
Pima Animal Care			
Licenses & Permits	728,056	548,246	700,000
Intergovernmental	4,901,359	5,136,527	4,693,380
Charges for Services	109,804	113,900	127,100
Fines & Forfeits	103,393	72,900	49,400
Investment Earnings	10,446	4,000	5,000
Miscellaneous Revenue	783,720	688,000	1,030,120
Total Pima Animal Care	6,636,778	6,563,573	6,605,000

Summary of Revenues by Fund and Category Fiscal Years 2016/2017 - 2018/2019

Source of Revenues	Actual 2016/2017	Adopted 2017/2018	Adopted 2018/2019
Regional Flood Control			
Property Taxes	23,598,711	22,916,348	25,016,551
Licenses & Permits	615	1,100	1,100
Intergovernmental	68,475	49,970	50,000
Charges for Services	28,928	1,070,000	1,071,600
Fines & Forfeits	50	-	2,500
Investment Earnings	69,209	45,000	45,000
Miscellaneous Revenue	92,586	74,475	88,960
Total Regional Flood Control	23,858,574	24,156,893	26,275,711
Rocking K South CFD			
Property Taxes	-	-	10
Total Rocking K South CFD	-	-	10
School Reserve Special Revenue			
Intergovernmental	1,870,016	1,611,000	1,369,000
Miscellaneous Revenue	-	350,000	300,000
Total School Reserve Special Revenue	1,870,016	1,961,000	1,669,000
Solid Waste			
Intergovernmental	1,248,757	1,100,000	1,274,149
Investment Earnings	12,124	8,000	14,000
Total Solid Waste	1,260,881	1,108,000	1,288,149
Stadium District			
Intergovernmental	1,607,644	1,537,200	1,479,530
Charges for Services	1,044,138	845,000	910,000
Investment Earnings	5,232	5,000	5,000
Miscellaneous Revenue	1,330	-	-
Total Stadium District	2,658,344	2,387,200	2,394,530
Transportation			
Property Taxes	-	19,526,525	357,000
Licenses & Permits	1,295,917	1,151,200	1,307,000
Intergovernmental	59,584,496	60,451,000	62,170,999
Charges for Services	90,063	204,650	197,650
Fines & Forfeits	642	-	-
Investment Earnings	27,412	-	45,000
Miscellaneous Revenue	218,104	207,750	202,750
Gain or Loss on Disposal of Assets	246,508	-	-
Total Transportation	61,463,142	81,541,125	64,280,399
Wireless Integrated Network			
Charges for Services	2,914,857	2,931,192	2,996,532
Investment Earnings	14,077	5,141	10,042
Miscellaneous Revenue	67,965	67,115	68,652
Total Wireless Integrated Network	2,996,899	3,003,448	3,075,226
TOTAL SPECIAL REVENUE FUNDS	233,107,501	276,837,221	268,302,352

Summary of Revenues by Fund and Category Fiscal Years 2016/2017 - 2018/2019

Source of Revenues	Actual 2016/2017	Adopted 2017/2018	Adopted 2018/2019
DEBT SERVICE FUNDS			
Debt Service			
Property Taxes	54,656,370	55,923,480	56,958,195
Intergovernmental	15,136	-	-
Investment Earnings	274,656	215,000	245,000
Miscellaneous Revenue	14,617	-	-
Total Debt Service	54,960,779	56,138,480	57,203,195
TOTAL DEBT SERVICE FUNDS	54,960,779	56,138,480	57,203,195
CAPITAL PROJECTS FUNDS			
Capital Projects			
Intergovernmental	20,233,056	16,324,513	20,904,024
Charges for Services	5,205,584	3,552,000	5,448,500
Investment Earnings	750,991	382,271	369,900
Miscellaneous Revenue	1,150,550	305,313	1,269,916
Total Capital Projects	27,340,181	20,564,097	27,992,340
TOTAL CAPITAL PROJECTS FUNDS	27,340,181	20,564,097	27,992,340
ENTERPRISE FUNDS			
Development Services			
Licenses & Permits	6,986,752	6,923,532	7,062,003
Charges for Services	1,087,804	796,443	1,007,372
Fines & Forfeits	1,080	-	-
Investment Earnings	18,807	15,000	25,000
Miscellaneous Revenue	6,534	23,100	7,100
Total Development Services	8,100,977	7,758,075	8,101,475
Parking Garages			
Charges for Services	2,399,428	2,391,003	2,391,600
Investment Earnings	15,876	12,132	11,646
Miscellaneous Revenue	19,540	(150)	5,850
Total Parking Garages	2,434,844	2,402,985	2,409,096
Regional Wastewater Reclamation			
Licenses & Permits	13,150	20,000	20,000
Charges for Services	170,235,363	171,170,297	170,987,120
Fines & Forfeits	6,384	8,000	5,000
Investment Earnings	1,469,459	1,010,000	1,095,000
Miscellaneous Revenue	1,286,278	263,135	222,260
Gain or Loss on Disposal of Assets	965,145	-	-
Total Regional Wastewater Reclamation	173,975,779	172,471,432	172,329,380
TOTAL ENTERPRISE FUNDS	184,511,600	182,632,492	182,839,951
TOTAL REVENUE	1,057,909,498	1,086,225,487	1,090,848,610

ATTACHMENT 4



MEMORANDUM

Date: May 8, 2018

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

From: C.H. Huckelberry
County Administrator 

Re: **Pima County Transportation Funding by Supervisorial Districts**

On March 21, 2018 a hearing was held by the Arizona House Ways and Means Committee on Senate Bill 1147, which at the time would have allowed the Regional Transportation Authority (RTA) to ask the Pima County Board of Supervisors to send to the voters an additional half-cent RTA sales tax levy for local transportation expenses, including road maintenance. During the hearing, Representative Vince Leach, who represents Legislative District 11 covering Oro Valley, Marana and the unincorporated areas in-between, asked County lobbyist Michael Racy, the following:

"Why is it that there's one Supervisor district that seems to get nothing for roads?" "This goes back five or six years ago and you know specifically what I am talking about and its problematic."

Representative Leach was repeating a false allegation that we have heard before regarding District 1. District 1 received 26 percent of the total pavement preservation funding over the last seven fiscal years, 52 percent of the 1997 HURF bonds between 1997 and 2017, and has been approved by the Board to receive 25 percent of the new local road repair property tax funding for the next two fiscal years. In each of these categories, District 1 clearly received more than any of the other four districts.

Table 1
Total Pavement Preservation Funding by District
FY2011/12 - FY2017/18

District	Total	Percent of Total
1	\$10,043,286	26%
2	6,047,233	15%
3	9,320,955	24%
4	9,045,196	23%
5	4,680,191	12%
Total	\$39,136,861	100%

Table 2
1997 HURF Bonds by District, 1997-2017

District	HURF Bond Expenditures	Percent of Total
1	\$129,740,688	52%
2	40,254,991	16%
3	31,303,773	13%
4	29,508,901	12%
5	19,355,274	8%
Total	\$250,163,627	100%

Table 3
New Local Roads Property Tax Funding by District
Year 1 and 2 (FY2018/19 and FY2019/20)

District	Funding Approved Year 1	Funding Approved Year 2	Total Funding Approved	Percent of Total
1	\$4,795,768	\$4,571,180	\$9,330,948	25%
2	3,125,587	3,032,049	6,157,636	16%
3	3,803,002	4,039,073	7,842,074	21%
4	3,709,515	3,884,056	7,593,571	20%
5	3,466,706	3,208,322	6,675,028	18%
Total	\$18,864,578	\$18,734,680	\$37,599,258	100%

Video of the hearing is posted on the Arizona House of Representative's website at the following link and Representative Leach's comments start at the following time: 1:48:14
http://azleg.granicus.com/MediaPlayer.php?view_id=13&clip_id=20981&meta_id=516944

CHH/dr

- c: Michael Racy, Racy Associates, Inc.
 Carmine DeBonis, Deputy County Administrator for Public Works
 Ana Olivares, Director, Transportation Department
 Nicole Fyffe, Executive Assistant to the County Administrator