



MEMORANDUM

Date: October 25, 2021

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

From: C.H. Huckelberry
County Administrator

A handwritten signature in black ink, appearing to read "C.H. Huckelberry", is written over the printed name of the County Administrator.

Re: **Pay-as-You-Go Scenarios Related to Overall Estimated Combined Tax Rate**

In a previous [memorandum](#), I indicated that given the current fiscal forecast associated with economic conditions in the County, it would be possible to examine a number of different scenarios where the achievement of full funding (defined as at least \$50 million in recurring General Fund Revenue) for the Pay-as-You-Go Program (PAYGO) was achieved.

Our present scenario is demonstrated by the blue line on the attached graph, which indicates achieving this target rate for funding the annual PAYGO Program being reached in Fiscal Year (FY) 2027/28. Three additional scenarios are portrayed, each reducing the timeframe when the PAYGO goal would be achieved. The green circle dots on the graph indicate the timeframe when each scenario would achieve the \$50 million PAYGO goal.

In all scenarios, you will see the overall County property tax rate decline from its present value in FY 2021/22, which is 5.1952 per \$100 of taxable net assessed value.

CHH/anc

Attachment

c: Jan Leshar, Chief Deputy County Administrator
Carmine DeBonis, Jr., Deputy County Administrator for Public Works
Francisco Garcia, MD, MPH, Deputy County Administrator & Chief Medical Officer,
Health and Community Services
Michelle Campagne, Director, Finance and Risk Management

Estimated Overall Tax Rate by Fiscal Year using the PAYGO Scenarios



Note 1: Tax rates above include the Primary (Primary & PAYGO) and Secondary Tax Rates (i.e. Debt Service, Library and Flood Control). For FY 2022/23 and later, Debt Service tax rates are assumed to follow the schedule shown in Attachment 2 of the November 5, 2019 memo "Board of Supervisors Policy for General Fund Pay-As-You-Go Capital Improvement Funding". The Library and Flood Control Tax rates are assumed to remain at \$0.5353 and \$0.3335, respectively, for all years.

Note 2: Growth in the tax base follows the most recent 5 year forecast for Taxable Net Assessed Value through FY 2025/26 and assumes 2.0% growth in the tax base thereafter.