MEMORANDUM

Date: March 16, 2015

To: Tom Burke, Director
   Finance and Risk Management

   Thomas Weaver
   Chief Civil Deputy County Attorney

   Robert Johnson, Budget Manager
   Finance and Risk Management

From: C.H. Huckelberry
      County Administrator

Re: Arizona Department of Revenue Expense Sharing

In the Adopted State Budget for Fiscal Year 2015/16, a number of significant cost transfers have been enacted that adversely impact Pima County. One of these impacts relates to the Arizona Department of Revenue expense sharing.

Pima County is the only county in Arizona that does not have a separate sales tax collected by the State and redistributed to the County. The closest we have to a countywide sales tax is the Regional Transportation Authority (RTA) Excise Tax. The RTA is a separate political subdivision and taxing entity. I intend to bill the RTA in the amount of $1,514,775 to pay for this sales tax collection for which the County is now being billed.

By copy of this memorandum, I am alerting the RTA Executive Director of this pending expense that should be included in the RTA's budget.

CHH/anc

c: The Honorable Ramón Valadez, District 2 Member, Pima County Board of Supervisors
   Farhad Moghimi, Executive Director, Regional Transportation Authority