



MEMORANDUM

Date: February 12, 2013

To: Chairman and Members
Pima County Bond Advisory Committee

From: C.H. Huckelberry
County Administrator 

Re: **Actual Versus Projected County Net Assessed Value**

In preparation for the January 18, 2013 Bond Advisory Committee (BAC) meeting, I sent the BAC a memorandum regarding indicators that impact the timing of the next bond election. The memorandum included a forecast of the County's net assessed value over a five-year period; showing that our property tax base, which is the key to how much capacity we have to issue new debt, will continue to shrink for at least two more years.

The Assessor has now released the actual net assessed valuations for Fiscal Year 2013/14, which will be the valuations used when the Board of Supervisors adopts our property tax levies in August 2013. As can be seen in the table below, the actual primary and secondary net assessed values are slightly below the forecast provided to you in January; meaning the tax base shrank slightly more than forecasted.

| FY 2013/14 | Actual Statutory Net Assessed Valuation (NAV) | Projected NAV | \$ Difference (Actual NAV - Projected NAV) | % Difference (Actual NAV vs. Projected NAV) |
|---------------------------|---|-----------------|--|---|
| County Bond Secondary NAV | \$7,623,691,280 | \$7,649,632,940 | (\$25,941,660) | -0.34% |
| County Primary NAV | \$7,559,129,097 | \$7,617,348,558 | (\$58,219,461) | -0.76% |

It is interesting to note the Assessor's actuals relied upon a "growth factor" of 1.88 percent due to new construction or additions, whereas the forecast provided to you in January included a "growth factor" of only 0.83 percent.

CHH/mjk

c: The Honorable Chairman and Members, Pima County Board of Supervisors
Tom Burke, Director, Finance and Risk Management
Nicole Fyffe, Executive Assistant to the County Administrator
Diana Durazo, Special Staff Assistant to the County Administrator