

**COCHISE COUNTY**

**FY 18/19**  
**Tentative Budget**  
**Special Districts**

Edward Gilligan, County Administrator  
Lynette Nowlan, Finance Director



***Public Programs...Personal Service***

# COCHISE COUNTY

## Flood Control:

Revenue \$5,959,058

Expense \$5,959,058

Tax Rate 2018

.2597

2019

.2597 (Proposed)

2019 TNT

.2594 (-.03 per \$100K)

## Library:

Revenue \$2,069,430

Expense \$2,069,430

Tax Rate 2018

.1451

2019

.1451 (Proposed)



## Public Notice of Tax Increase

### Truth in Taxation Hearing Notice of Tax Increase

In compliance with section 48-254, Arizona Revised Statutes, Cochise County's Flood Control District is notifying its property taxpayers of Cochise County's Flood Control District's intention to raise its secondary property taxes over last year's level. Cochise County's Flood Control District is proposing an increase in secondary property taxes of \$2,334 or 0.12%.

For example, the proposed tax increase will cause Cochise County's Flood Control District's secondary property taxes on a \$100,000 home to be \$25.97 (total proposed taxes including the tax increase). Without the proposed tax increase, the total taxes that would be owed on a \$100,000 home would have been \$25.94.

This proposed increase is exclusive of increased secondary property taxes received from new construction. The increase is also exclusive of any changes that may occur from property tax levies for voter-approved bonded indebtedness.

All interested citizens are invited to attend the public hearing on the tax increase that is scheduled to be held at 1:00 PM on Monday, July 16, 2018 at 1415 Melody Lane, Bldg G, Bisbee, AZ 85603.

### Truth in Taxation Hearing Notice of Tax Increase

In compliance with section 48-254, Arizona Revised Statutes, Cochise County's Library District is notifying its property taxpayers of Cochise County's Library District's intention to raise its secondary property taxes over last year's level. Cochise County's Library District is proposing an increase in secondary property taxes of \$10,121 or 0.76%.

For example, the proposed tax increase will cause Cochise County's Library District's secondary property taxes on a \$100,000 home to be \$14.51 (total proposed taxes including the tax increase). Without the proposed tax increase, the total taxes that would be owed on a \$100,000 home would have been \$14.40.

This proposed increase is exclusive of increased secondary property taxes received from new construction. The increase is also exclusive of any changes that may occur from property tax levies for voter-approved bonded indebtedness.

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# COCHISE COUNTY

## Light Districts:

### Bowie

#### Acres

Revenue \$12,022

Expense \$12,022

**Proposed Tax Rate 1.1057**

**Rate .3705**

**.0955 increase**

### Golden

Revenue \$8,959

Expense \$8,959

**Proposed Tax**

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### Sunsites

#### Pirtleville

Revenue \$26,272

\$12,765

Expense \$26,272

\$12,765

**Proposed Tax Rate .4208**

**Rate .5511**

Revenue

Expense

**Proposed Tax**

### Naco

Revenue \$8,306

Expense \$8,306



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# COCHISE COUNTY

## FY 17/18 Year-End

	<b>17/18 Adopted Budget</b>	<b>Revenue</b>	<b>Expenditures</b>	<b>Cash Carry Forward (Expected Fund Balance)</b>
<b>General Fund</b>	\$81,056,797	\$54,013,701	\$56,435,456	\$28,030,859
<b>Special Revenue Fund</b> (includes internal service, capital and SRF)	\$106,701,206	\$45,142,007	\$46,011,647	\$44,386,286
<b>Total</b>	<b>\$187,758,003</b>	<b>\$99,155,708</b>	<b>\$102,446,803</b>	<b>\$72,417,145</b>



## COCHISE COUNTY

# Cash Balance

### Cash Balance (General Fund - EOY)

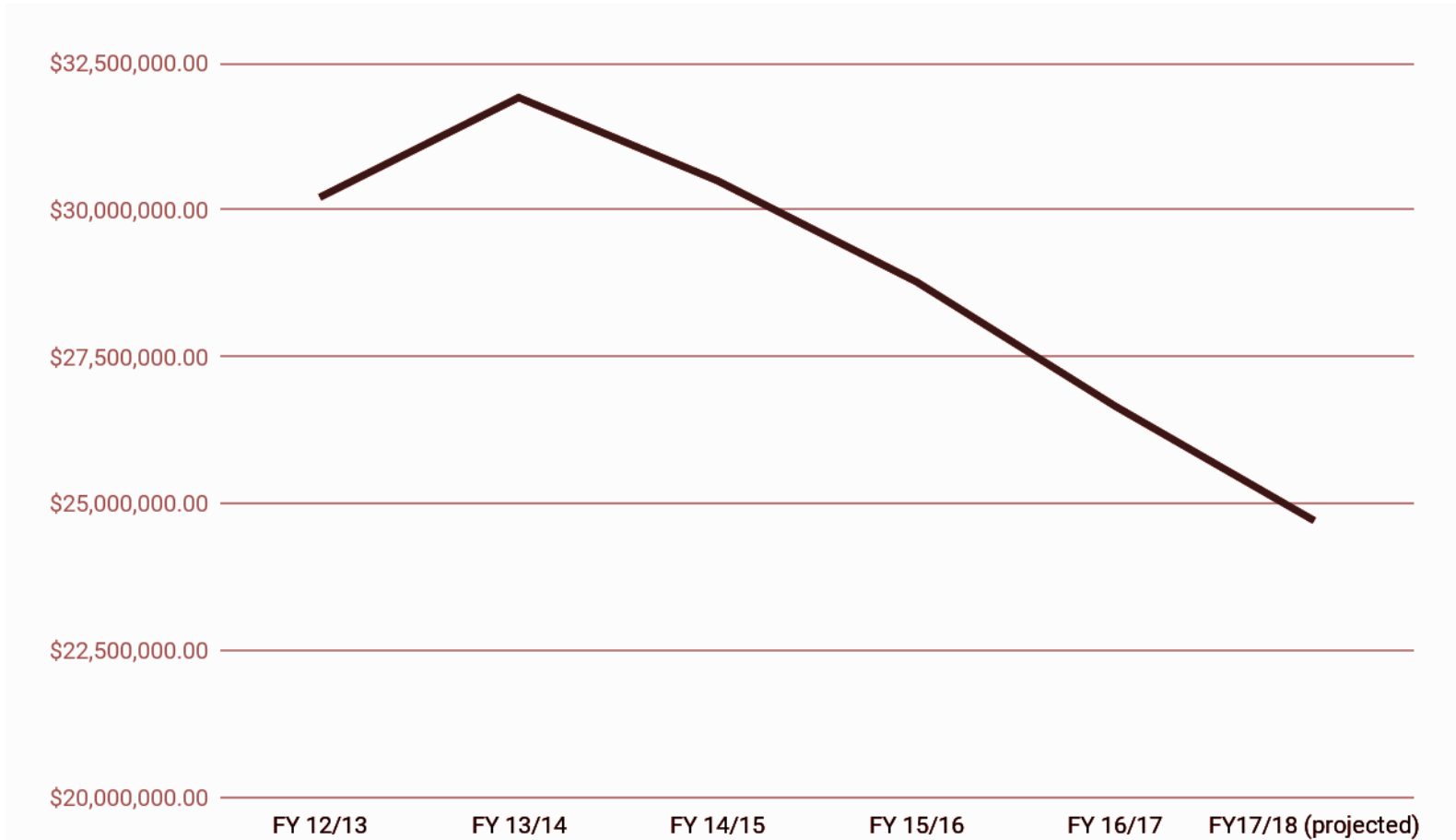
FY 12/13 (Actual)	\$ 30,217,046
FY 13/14 (Actual)	\$ 31,916,044
FY 14/15 (Actual)	\$ 30,498,666
FY 15/16 (Actual)	\$ 28,779,123
FY16/17 (Actual)	\$ 26,660,130
FY17/18 (Projected)	\$ 24,712,844

- Cash Balance to cover P/R, other exp. and Cont. (\$8M)  
Minimum is \$ 20,000,000



# COCHISE COUNTY

## Cash Balance



# COCHISE COUNTY

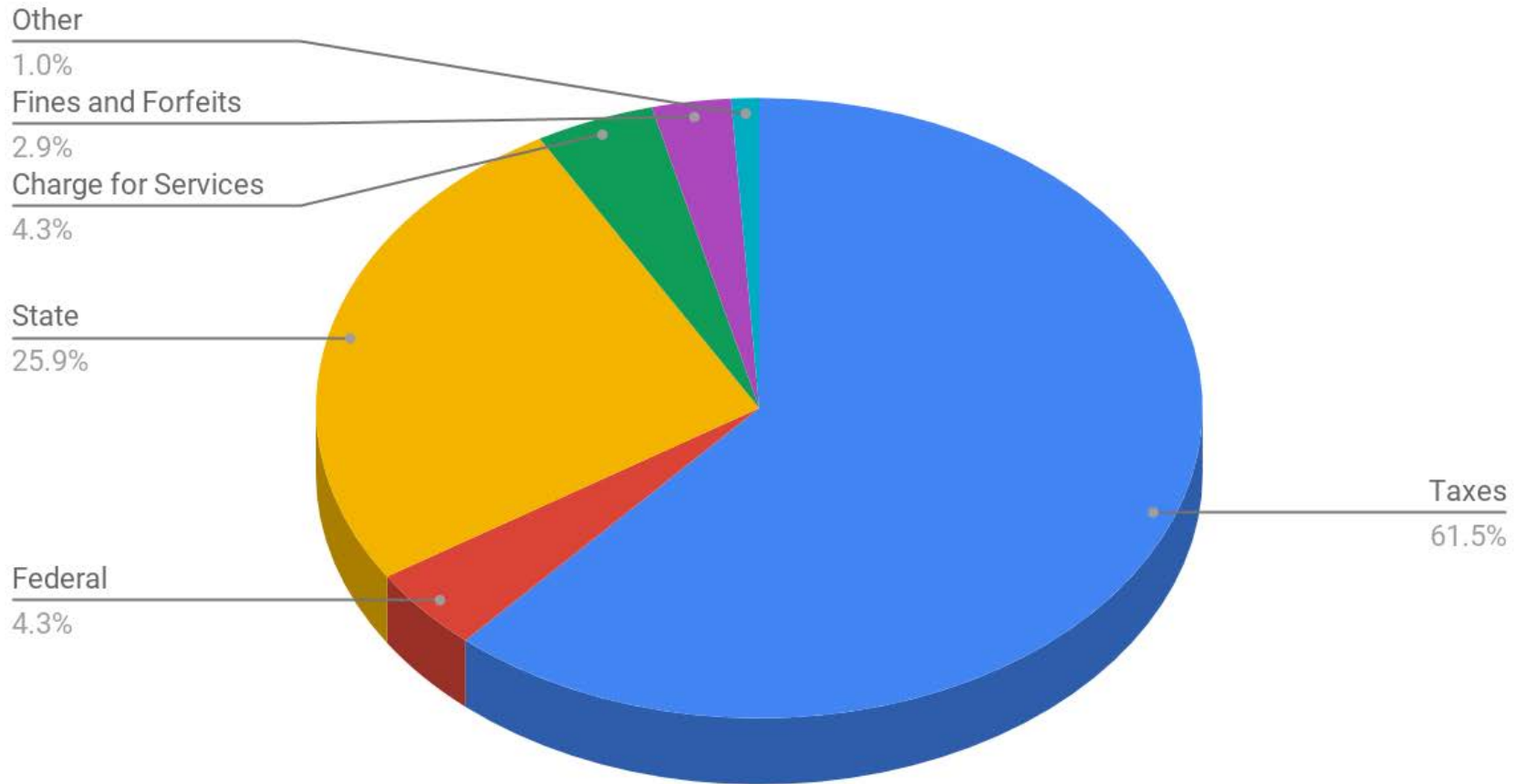
## FY 19 Tentative Budget Summary

	17/18 Adopted Budget	18/19 Proposed Budget	Increase/ (Decrease) \$	% Increase/ (Decrease)
<b>General Fund</b>	\$81,056,797	\$83,408,179	\$2,351,382	2.9%
<b>Special Revenue Fund</b>	\$106,701,206	\$114,840,500	\$8,139,294	7.63%
<b>Total</b>	<b>\$187,758,003</b>	<b>\$198,248,679</b>	<b>\$10,490,676</b>	<b>5.59%</b>



# COCHISE COUNTY

## General Fund Revenue



## Revenue Variances

- Maintaining current property tax rate of 2.6747: \$190,464 increase (.78%)
- Property Tax penalties & interest: \$250,000 increase
- Increase in CCF (FY17 F/B): \$572,234 increase
- Vehicle Licence Tax: \$300,000 increase
- PILT: \$300,000 increase
- ½ cent: \$300,000 increase
- HURF: \$900,000 increase



# COCHISE COUNTY

Property Tax History				
	1993 Highest rate	2011 Highest Levy	2018	2019
Primary Valuation	\$390,561,309	\$1,049,827,355	\$913,002,927	\$924,629,698
Tax Rate	\$3.06	\$2.63	\$2.6747	TBD
Levy	\$11,954,691.11	\$27,585,263.58	\$24,420,089	TBD
1 cent =	\$39,056.13	\$104,982.74	\$91,300.29	\$92,462.97



## COCHISE COUNTY

# 2019 Property Tax Revenue at Current Primary Valuation of \$924,629,698

Strategy	Tax Rate	Tax on \$100,000	Levy
Same as FY 17/18	2.6747	\$267.47	\$24,731,071
TNT Rate	2.6540	\$265.40	\$24,420,089
Maintain Cash Position	2.7366	\$273.66	\$25,303,416



# TNT Hearing Notice

Publish notice to maintain  
or increase current primary  
property tax rate

## **Truth in Taxation Hearing Notice of Tax Increase**

In compliance with section 42-17107, Arizona Revised Statutes, Cochise County is notifying its property taxpayers of Cochise County's intention to raise its primary property taxes over last year's level. Cochise County is proposing an increase in primary property taxes of \$190,464 or .78%.

For example, the proposed tax increase will cause Cochise County's primary property taxes on a \$100,000 home to be \$267.47 (total proposed taxes including the tax increase). Without the proposed tax increase, the total taxes that would be owed on a \$100,000 home would have been \$265.40.

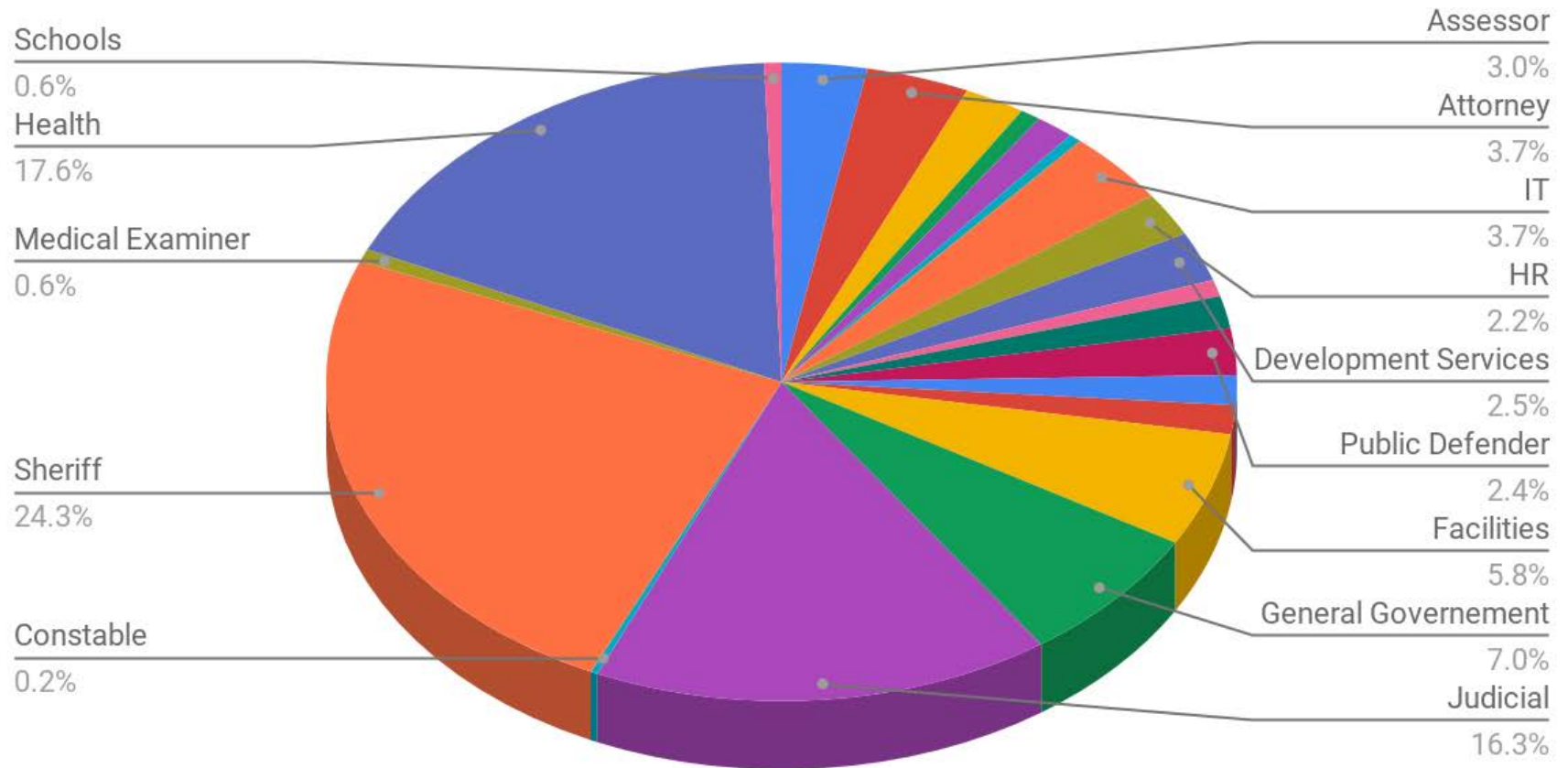
This proposed increase is exclusive of increased primary property taxes received from new construction. The increase is also exclusive of any changes that may occur from property tax levies for voter approved bonded indebtedness or budget and tax overrides.

All interested citizens are invited to attend the public hearing on the tax increase that is scheduled to be held at 1:00 PM on Monday, July 16, 2018 at 1415 Melody Lane, Bldg G, Bisbee, AZ 85603.



# COCHISE COUNTY

## General Fund Expenses



## 2019 Expenditure Increases

- SEACOM: \$672,557
- Retirement Systems: \$1,339,471
- Health Insurance: \$106,000



## Net Cash Impact

Total 17/18 GF Revenues: \$52,627,052

Total 17/18 GF Expenses: \$62,536,751

Net Impact:

**(\$9,909,699)**

Total 18/19 GF Revenues: \$55,377,320

Total 18/19 GF Expenses: \$66,266,064

Net Impact: **(\$10,888,744)**



# COCHISE COUNTY

## Recommended Funding Requests

(included in the tentative budget)

Department	Project	Cost	Funding Source	Recommend
JP 1	Concrete ramp/walkway to safely transfer inmates to and from courtroom	\$45,000	½ cent	Fund
BDI	Redundant well	\$1,100,000	½ cent	Fund
Facilities	Perimeter fencing and gates for Wilcox Fleet services facility	\$23,000	Facilities Capital Budget	Fund
Health	Reinstate .5 FTE and salary adjustments for other positions to provide the ability to obtain vital records at all offices	\$32,826	GF New Revenue as a result of fee increases	Fund
Juvenile	Programmable logic control	\$52,258	½ cent	Fund



# COCHISE COUNTY

# Recommended Funding Requests

(included in Tentative Budget)

Department	Project	Cost	Funding Source	Recommend
Procurement	Web-based e-procurement software	\$19,800	½ Cent	Fund
Building Enhancement - Relocation	To be used to assess office space and determine building enhancement needs for Departments; cover the cost of relocations and allow for the purchase of furniture, if needed	\$900,000	½ Cent	Fund
Sheriff	SWAT Equipment	\$35,000	½ Cent	Fund
Court Administration	Technology improvements in the courts	\$50,000	½ Cent	Fund Annually for next 3 fiscal years



# COCHISE COUNTY

# Recommended Funding Requests

(Included in Tentative Budget)

Department	Project	Cost	Funding Source	Recommend
Justice Court Douglas	Recurring Enhance Fund expenses	\$49,670	EF	Fund
Justice Court Benson	Recurring Enhance Fund expenses	\$35,670	EF	Fund
Justice Court Willcox	Recurring Enhancement Fund expenses	\$35,672	EF	Fund
Justice Court Sierra Vista	Recurring Enhance Fund expenses	\$122,061	EF	Fund



## Summary

- Revenues and expenses are increasing
- Overall property valuation has increased .78%
- Recommend holding tax rate at 2.6747, requiring TNT notices and hearing
- Recommended funding requests align with the Board's Strategic Plan



## Summary

- Recommend no authorization of funding requests for positions which do not align with new revenue
- Request approval of the Cochise County FY19 Tentative Budget
  - ◆ Once adopted, the total approved budget may not be increased

