

---

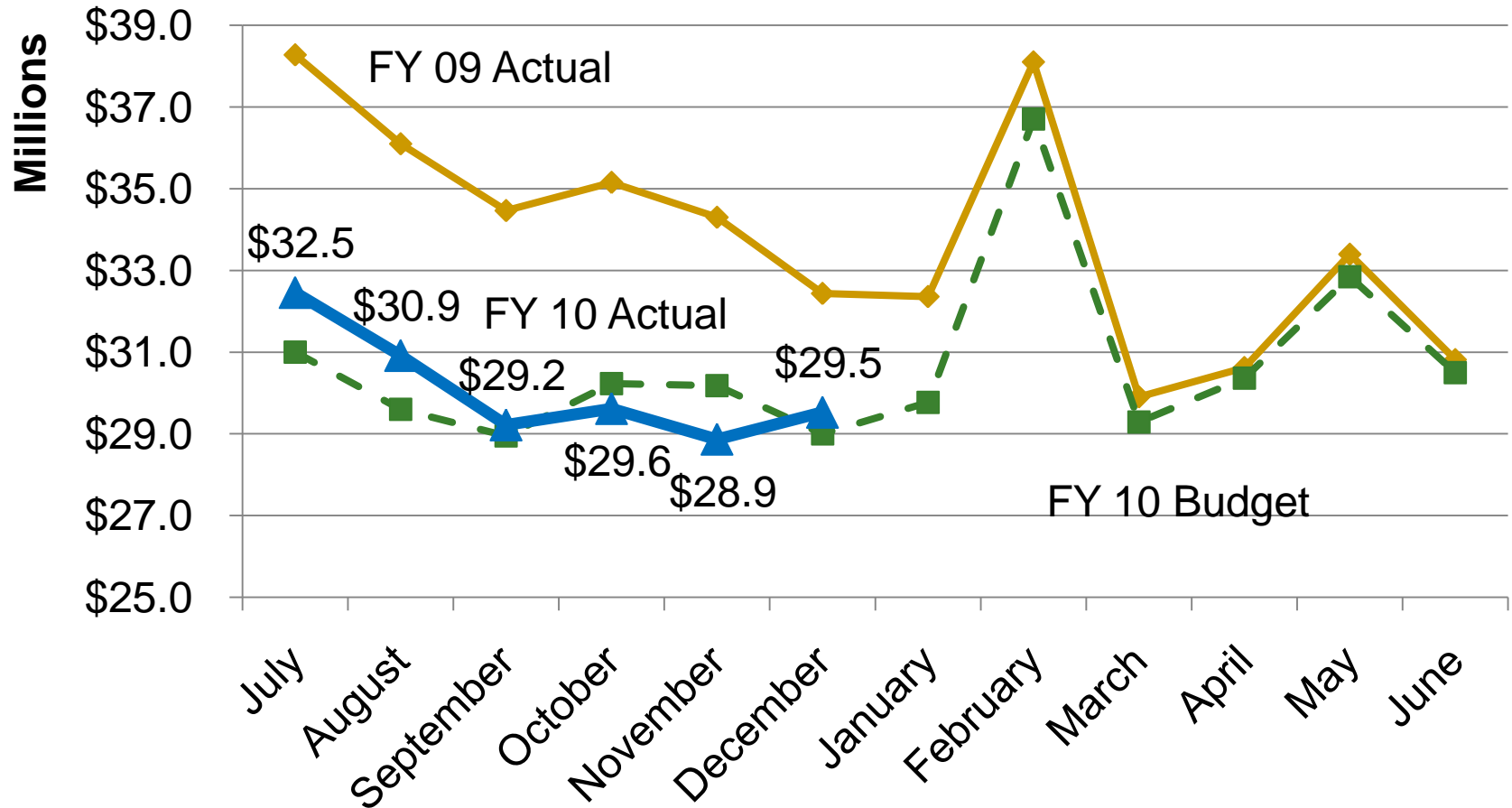
# FY 2011 Budgeting for Results Guidelines and Priorities

---

January 11, 2010

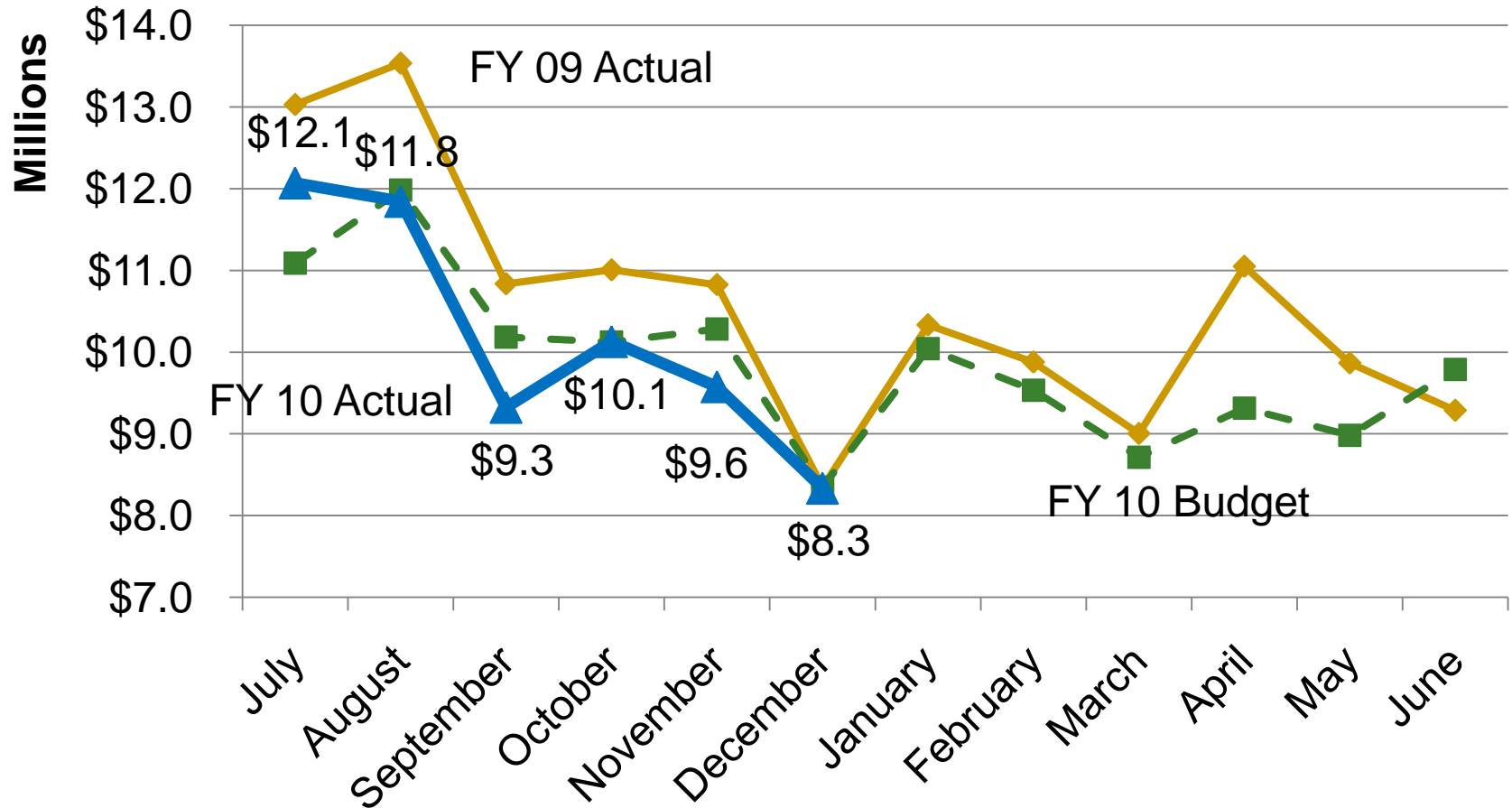
Office of Management and Budget

# Sales Tax: Monthly Actual vs. Budget



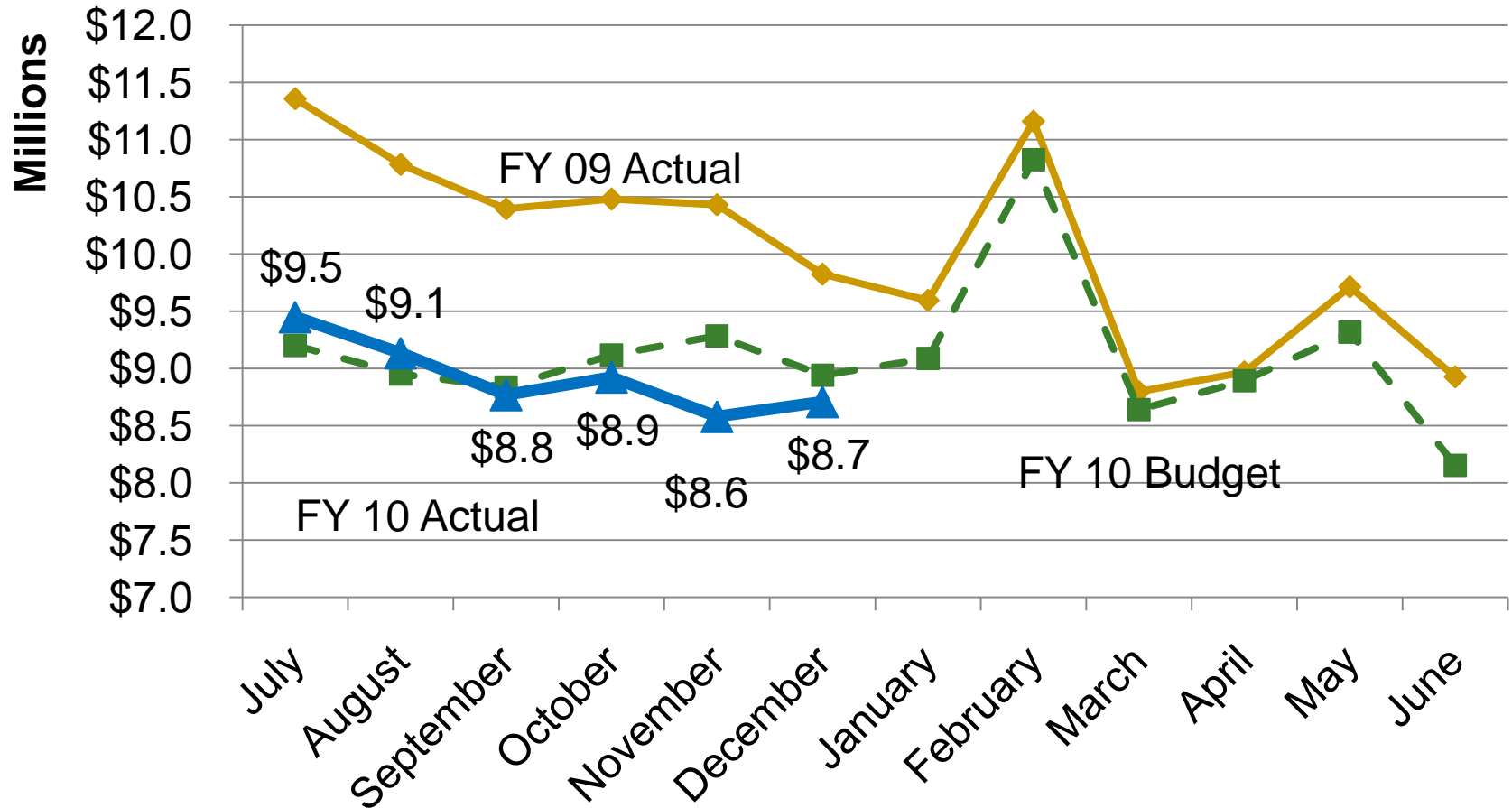
*\$1.65 million (0.9%) over budget year-to-date*

# VLT: Monthly Actual vs. Budget



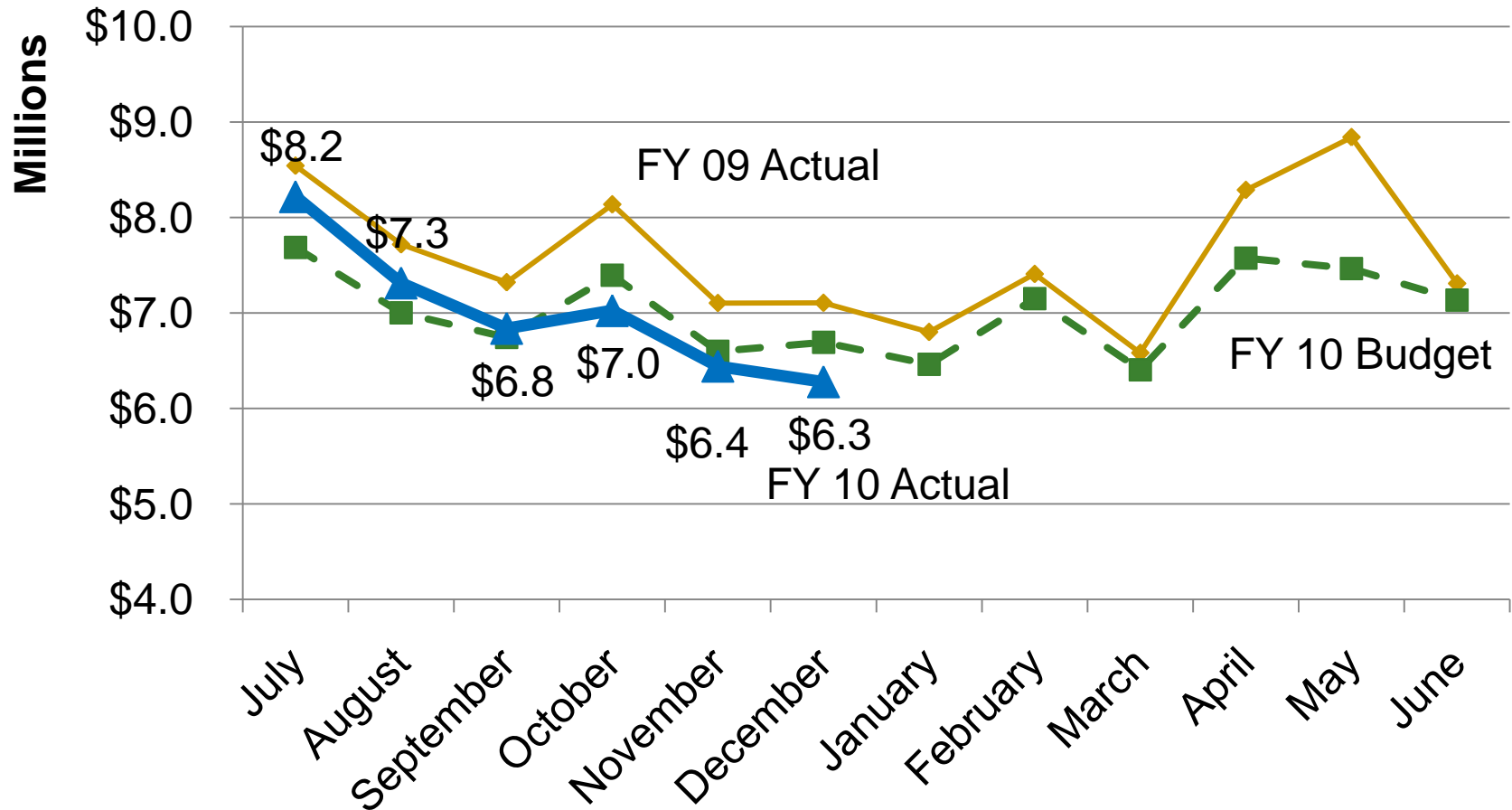
*\$731 thousand (1.2%) under budget year-to-date*

# Jail Tax: Monthly Actual vs. Budget



*\$765 thousand (1.4%) under budget year-to-date*

# HURF: Monthly Actual vs. Budget



*At budget year-to-date*

---

# FY 2011 Guidelines and Priorities

- Direction from the Board to develop a sustainable, structurally-balanced budget that achieves, within available resources, the County's mission and strategic goals
  - Base budget to assume that property tax levy provides for no increase, including new construction
  - Use of fund balance consistent with policy and structurally-balanced budget
-

---

# FY 2011 Guidelines and Priorities (cont.)

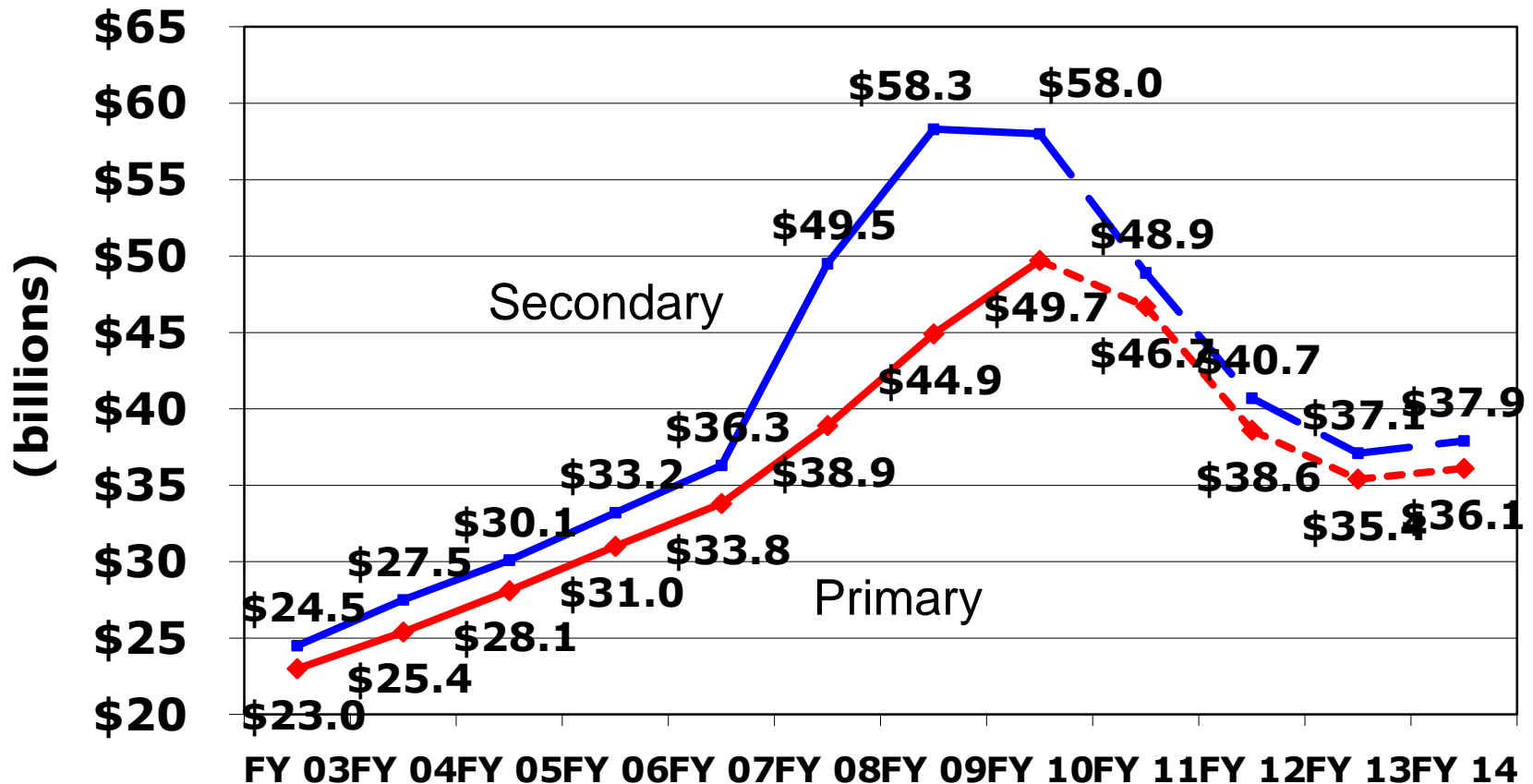
- No call for budget reductions
    - Reductions may be necessary later if there is another downturn or if the State passes on significant fiscal impacts
  - No funding anticipated for pay increases
  - No requests for additional funding
  - Capital Improvement Program update
  - New IT projects considered if ROI with direct benefits of three years or less
-

# Property Taxes

- Definitions:
  - Assessed value: The value of the property that is taxed
  - Property tax rate: The rate applied to the assessed value to calculate the amount of taxes due
  - Property tax levy: The total amount of taxes billed to all taxable properties
  - $\text{Tax Levy} = \text{Tax Rate} \times \text{Assessed Value}$
- Budget Guidelines call for the property tax levy to be no greater than the FY 2010 levy
- “Flat Levy” - no revenue increase, including new construction; by Arizona law, this constitutes a tax decrease



# Total Net Assessed Value



Forecasts – Elliott D. Pollack pessimistic scenario, July 2009

---

# Truth in Taxation Law

- By current State law, the “Flat Levy” is legally considered a tax reduction
  - Arizona Revised Statutes Section 42-17107 defines any increase in property taxes from one year to the next on existing property (excluding new construction) as a tax increase
  - The “Flat Levy” scenario allows no increase, even including new construction, and is therefore a tax reduction for owners of existing properties
-

# Truth in Taxation Notice

## Truth in Taxation Hearing Notice of Tax Decrease

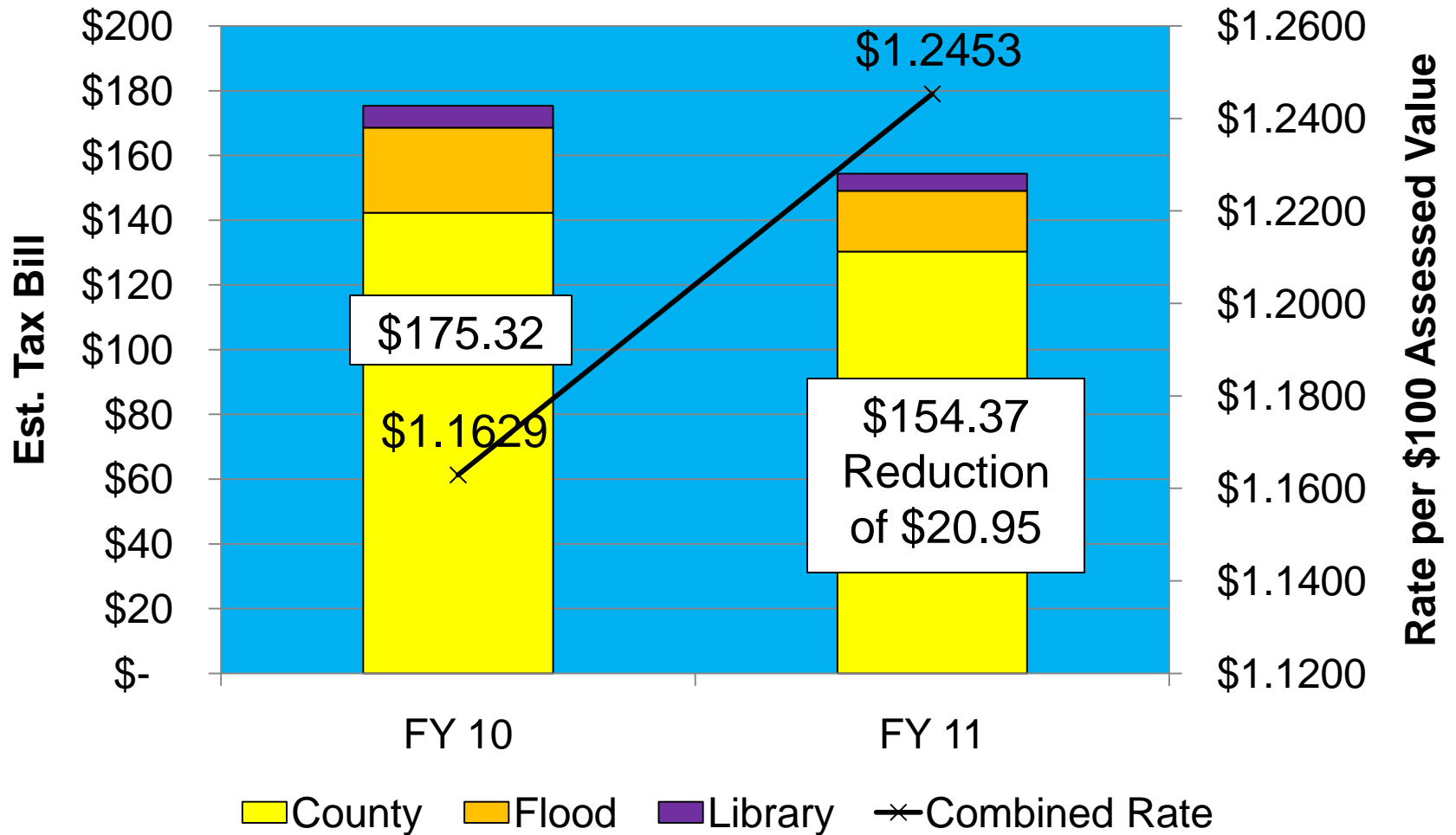
In compliance with section 42-17107, Arizona Revised Statutes, MARICOPA COUNTY is notifying its property taxpayers of MARICOPA COUNTY'S intention to lower Its primary property taxes over last year's level. MARICOPA COUNTY is proposing a decrease in primary property taxes of \$10,766,701 or 2.1%.

For example, the proposed tax decrease will cause MARICOPA COUNTY'S primary property taxes on a \$100,000 home to decrease from \$107.79 (total taxes that would be owed without the proposed tax decrease) to \$105.48 (total proposed taxes including the tax decrease).

This proposed decrease is exclusive of increased primary property taxes received from new construction. The decrease 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 decrease that is scheduled to be held at 10:00 AM June 21, 2010 at the Board of Supervisors Conference Room, 301 W. Jefferson, Phoenix, Arizona.

# Estimated Tax Bill – Median Home County Plus Library and Flood Control



# FY 2011 Budget Calendar

<b>Jan 11</b>	<b>Board Approves FY 2011 Budgeting for Results Guidelines and Priorities</b>
Week of Jan 11	OMB Issues Department Budget Targets, Internal Charges, Forms and Instructions
Late Jan - Early Feb	Departments Submit Budget Requests
Feb 8	Elected and Judicial Branch Budget Presentations to the Board of Supervisors
Feb 10	Assessed Values and Levy Limits Reported by Assessor
Mar 13	Departments Submit Final CIP Budgets
Late Jan - Early Mar	OMB Analyzes Department Budgets, Develops Recommendations
March	OMB and Departments Review Budget Recommendations
April	OMB Consolidates Budget, Prepares Budget Document
May 10	Recommended Budget Presentation
<b>May 12</b>	<b>Tentative Budget Adoption</b>
May-June	Publication of Tentative Budget and Truth in Taxation Notice
<b>June 21</b>	<b>Final Budget Adoption</b>
<b>Aug 16</b>	<b>Property Tax Levy Adoption</b>

*Some dates may be subject to change.*



**Office of Management & Budget**

---

---

# Flood Control District

## FY 2011 Guidelines and Priorities

- Base budget to assume property tax levy reduced to \$68 million
  - Use of fund balance consistent with policy and structurally-balanced budget
  - No call for budget reductions
  - No funding anticipated for pay increases
  - No requests for additional funding
  - Capital Improvement Program update
  - New IT projects considered if ROI with direct benefits of three years or less
-

---

# Library District

## FY 2011 Guidelines and Priorities

- Base budget to assume that property tax levy provides for no increase, including new construction
  - Use of fund balance consistent with policy and structurally-balanced budget
  - No call for budget reductions
  - No funding anticipated for pay increases
  - No requests for additional funding
  - Capital Improvement Program update
  - New IT projects considered if ROI with direct benefits of three years or less
-



---

# Stadium District

## FY 2011 Guidelines and Priorities

- Use of fund balance consistent with policy and structurally-balanced budget
  - No call for budget reductions
  - No funding anticipated for pay increases
  - No requests for additional funding
  - Capital Improvement Program update
  - New IT projects considered if ROI with direct benefits of three years or less
-



**Office of Management & Budget**

---