



MAYOR & COUNCIL COMMUNICATION

June 6, 2017

Subject: Public Hearing on the Fiscal Year 2017/18 Budget as
Tentatively Adopted (City Wide)

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Issue – On May 23, 2017, the Fiscal Year 2017/18 budget was tentatively adopted by Resolution No. 22728. A public hearing on the tentative budget is scheduled for today's meeting of the Mayor and Council. ARS §42-17104.A. requires the hearing to be held on or before the fourteenth day before the day on which tax levies are adopted (June 20, 2017).

Recommendation – At the conclusion of today's public hearing, it is recommended that the regular meeting be recessed and the scheduled special meeting for the purpose of adopting the Fiscal Year 2017/18 budget be held.

Background – In compliance with ARS §42-17103.B., the City Charter, Chapter XIII, Section 5, and the Mayor and Council policy for advertising for public hearings, the tentative budget, notice of this public hearing, and the date and time established for levying the property tax rate were published on May 26 and May 30, 2017 in the Arizona Daily Star.

Resolution No. 22728 adopted by the Mayor and Council on May 23, 2017 approved a tentative budget for Fiscal Year 2017/18 in the amount of \$1,430,152,400. The Resolution identified specific appropriations by purpose of expenditure.

Appropriations authorized by this budget would be supported in part by primary property tax revenues of approximately \$15.2 million which have been estimated on the basis of a primary property tax rate of \$0.4581 per \$100 assessed valuation (determined from a limited value established for that purpose) and a secondary property tax rate of \$.9761 per \$100 assessed valuation (determined from the full cash value established for that purpose).

Plan Tucson Considerations - This item relates to Chapter Three, the Social Environment, and Chapter Four, the City's ability to implement Plan Tucson by having the right foundational elements in place, such as resources, partnerships, procedures, agreements, and other administrative elements. This item helps address the level of resources available to the City, which is a factor that will impact how quickly and to what degree actions and investments can be pursued in support of Plan Tucson.

Statutory Requirements Relating To Budget Adoption Procedures – ARS §42-17105.A. requires that upon the closing of today's public hearing, the Mayor and Council then must convene in a duly noticed and called special meeting for the purpose of finally adopting the Fiscal Year 2017/18 budget. Once the budget is adopted, the special meeting is adjourned and the regular meeting reconvened, if necessary.

Respectfully submitted,

Michael J. Ortega, P.E.
City Manager

MO:jg

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